

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

LEGISLATIVE HISTORY

Public Law 358--78th Congress

Chapter 286--2d Session

H. R. 4070

TABLE OF CONTENTS

Digest of Public Law 358	1
Index and Summary of History on H. R. 4070	2

INDEPENDENT OFFICES APPROPRIATION ACT, 1945. Includes appropriations for the Budget Bureau, Civil Service Commission, Federal Power Commission, Federal Trade Commission, Public Buildings, Administration, Public Roads Administration, foreign-service pay adjustment, General Accounting Office, Interstate Commerce Commission, Archives, National Housing Agency, Tariff Commission, Tennessee Valley Authority, and Maritime Commission. It also (for the fiscal year 1945, except when otherwise indicated) authorizes use of travel and transportation appropriations for station transfers; limits the amount which the Government may pay for automobiles; prohibits use of Government automobiles for other than official purposes, except in the case of Cabinet members, etc.; permits open-market purchases not exceeding \$100; prohibits alien employment by the Government in continental U. S., except in certain cases; permits payments of per-diem allowances to Government personnel while traveling outside the U. S. away from their posts of duty; permits Government employees to travel on foreign vessels; authorizes reimbursement at not over 5 cents a mile to without-compensation personnel for travel performed in private automobiles away from their posts of duty, and not over 3 cents a mile for such travel within their stations; permits living and quarters allowances for civilian Government personnel stationed in foreign countries; prohibits salary payments to persons whose nominations have been rejected by the Senate; prohibits payment of more than \$2 a volume for current or future volumes of the U. S. Code or more than \$3.25 for current or future issues of the Lifetime Federal Digest; authorizes detail of employees to the White House; and prohibits (in general) detail of departmental employees to the Civil Service Commission; prohibits use of funds for agencies created by Executive Order if Congress has not appropriated funds to such agencies within a year after their establishment (effective Jan. 1, 1945); and provides penalties for non-official use of Government vehicles.

INDEX AND SUMMARY OF HISTORY ON H. R. 4070

December 1, 1943	Hearings: House, H. R. 4070.
January 26, 1944	House Appropriations Committee reported H. R. 4070. House Report 1023. Print of the bill as introduced.
January 27, 1944	House began debate.
January 28, 1944	Debate continued.
January 31, 1944	Debate concluded. Passed House with amendments.
February 1, 1944	Referred to the Senate Committee on Appropriations. Print of the bill as referred.
February 3, 1944	Hearings: House, H. R. 4070, Supplemental.
February 23, 1944	Amendment proposed by Rep. Russell.
February 10, 1944	Hearings: Senate, H. R. 4070.
March 9, 1944	Senate Committee reported H. R. 4070 with amendments. Senate Report 730. Print of the bill as reported.
March 16, 1944	Senate began debate.
March 20, 1944	Debate continued.
March 21, 1944	Debate continued.
March 22, 1944	Debate continued.
March 24, 1944	Debate concluded. Passed Senate with amendments. Senate appointed Conferees. Print of the bill with the amendments of the Senate numbered.
May 8, 1944	House Conferees appointed.
May 29, 1944	House received Conference Report. House Report 1544.
June 1, 1944	House agreed to Conference Report and acted on items reported in disagreement.
June 8, 1944	Senate agreed to Conference Report and acted on items in disagreement. Conferees appointed for further Conference.
June 9, 1944	House Conferees appointed for further Conference.
June 14, 1944	House received 2d Conference Report. House Rept. 1642.

June 15, 1944

Both Houses agreed to 2d Conference Report and acted on items in disagreement.

June 27, 1944

Approved. Public Law 358.

112121
112121
112121



INDEPENDENT OFFICES APPROPRIATION BILL, 1945

JANUARY 26, 1944.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. WOODRUM of Virginia, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4070]

SCOPE OF THE BILL

The accompanying bill provides appropriations for the Executive Office of the President and for sundry independent establishments of the Government, estimated for in the independent offices chapter of the 1945 Budget, pages 35 to 114, inclusive, the Federal Works Agency, pages 165 to 186, inclusive, and the National Housing Agency, pages 187 to 206, inclusive. In addition to the above, items for certain public works for the Tennessee Valley Authority, the Veterans' Administration, and the Federal Works Agency will be found under the General Public Works program chapter of the 1945 Budget, pages 691 to 700, inclusive.

APPROPRIATIONS AND ESTIMATES

A detailed tabulation will be found at the end of this report giving each appropriation in the bill for 1945, the amount appropriated for 1944, and the Budget estimates for the fiscal year 1945, together with the increase or decrease in appropriations and estimates as compared with the amounts recommended in the bill.

	<i>Amount</i>
National Capital Housing Authority-----	\$1,364
Securities and Exchange Commission-----	630,750
Tariff Commission-----	132,390
Tax Court of the United States-----	33,841
U. S. Maritime Commission-----	4,618,525
Smithsonian Institution:	
Salaries and expenses-----	170,478
National Gallery of Art-----	90,109
Veterans' Administration-----	19,792,407
Tennessee Valley Authority-----	(1)
Total-----	<u>47,112,518</u>

National Housing Agency:

(The following amounts for 1945 overtime are allocated from funds heretofore made available.)

Office of the Administrator-----	2 (\$57,524)
Federal Home Loan Bank Administration-----	1,470,250
Federal Housing Administration-----	1,391,742
Federal Public Housing Authority-----	341,689

Total, National Housing Agency-----	3,203,681
-------------------------------------	-----------

¹ The amount for 1945 overtime is estimated to be \$3,360,742, payable from funds reappropriated for the fiscal year 1945, and from receipts.

² Funds for this purpose provided by contributions from 3 constituent units.

The total of the foregoing amounts (including the Tennessee Valley Authority) is \$53,676,941.

The total amount contained in the bill for the same activities is approximately \$52,140,000.

The committee has also inserted in the bill a provision (sec. 107) specifically providing that if the Congress shall by concurrent resolution fix the date of termination of the war overtime compensation acts at a date earlier than June 30, 1945 (the present date of termination of such acts), the appropriations contained in the bill shall cease to be available for obligation for the overtime compensation after such earlier date and requiring that the unobligated portions of appropriations allocated for such purposes shall not be obligated for any other purposes of the appropriation during the fiscal year 1945.

While the amounts incorporated in the various appropriation items on account of the war overtime pay for the fiscal year 1945 serve to show a technical increase in many of the 1945 appropriations in comparison with the 1944 appropriations, this is due to the fact that the additional amounts required on account of the war overtime pay for the fiscal year 1944 have not yet been appropriated for the present fiscal year. The enabling act, approved May 7, 1943, was passed too late in the last session to incorporate the additional amounts in the annual bills and it will be necessary to make provision for 1944 in the first deficiency bill. In arriving at the amounts for 1945 for the war overtime pay, the full additional cost has not in all instances been added to the 1945 appropriation. In those instances where a part of the cost could be absorbed by the regular appropriation, the amount to be absorbed has been taken into consideration in arriving at the amount to be added for 1945.

EXECUTIVE OFFICE OF THE PRESIDENT

The estimates for this Office include funds for the White House Office, the Executive Mansion and grounds, and the Bureau of the Budget. Funds for the first two items are approved as included in the estimates.

Bureau of the Budget.—The committee considered an estimate of \$2,828,000 for the regular activities of this agency and has recommended a total of \$2,290,340 for that purpose, a reduction of \$537,660 in the estimates and an increase of \$662,840 in the 1944 appropriation. The reductions recommended by the committee are as follows:

	<i>Reduction</i>
Estimates Division.....	\$100, 000
Field service.....	236, 780
Public works programing.....	200, 880
Total.....	537, 660

In recommending a reduction of \$67,200 in the estimates for national defense activities the committee has disallowed the request for new positions proposed in connection with the Administrative Management Division and the Statistical Standards Division of the Bureau.

CIVIL SERVICE COMMISSION

In considering the estimates for the regular activities for this agency the committee had before it the proposal of the Budget to consolidate into one paragraph the items heretofore provided for under three headings, "Salaries and expenses", "Prevention of pernicious political activities", and "Printing and binding". The committee has recommended approval of the consolidation but has eliminated a new proposal that employees may be paid 3 cents per mile for operation of privately owned automobiles within the limits of their official posts of duty while on official business.

The Budget estimates for the Commission for salaries and expenses, including national defense activities, amount to \$19,279,473. The committee has approved a total of \$19,051,977, which is a reduction of \$227,496 in the estimates. A reduction of \$25,000 in the estimate for regular activities, is applied to the work of personnel classification, and a further reduction of \$50,000 in the national-defense estimate for the same purpose (personnel classification) is recommended. The additional reductions recommended by the committee have been applied to the estimate for national-defense activities and consist of a cut of \$91,560 in funds for work under the retirement project and the denial of \$60,936 proposed by the Budget for new personnel in the Information Division.

On previous occasions the House has approved the recommendation of the committee in eliminating funds for the expenses of a Board of Legal Examiners until substantive law had been enacted. The Congress has now refused to pass such legislation and the President, by Executive Order No. 9358 of July 1, 1943, has placed the duty of examining applicants for attorney positions with the Civil Service

Commission. On July 1, 1943, the commission established in its Examining and Personnel Utilization Division a Legal Examining Unit. The committee was advised that in any examination held in the future there will be a ranked register, and not an unranked register. The bill provides for this purpose a total of 17 employees at an annual salary cost of \$46,940.

FEDERAL COMMUNICATIONS COMMISSION

The Budget estimates for the regular operations of this Commission contain a total of \$2,209,000 for salaries and expenses and \$16,700 for printing and binding. The committee has approved these items without change. The increase of \$209,000 over the 1944 appropriation of \$2,000,000 for salaries and expenses is due almost entirely to additional funds required for war overtime pay.

The committee has recommended several substantial reductions in the Budget estimate of \$6,146,000 for salaries and expenses in connection with national-defense activities. The reductions referred to are as follows:

	<i>Reduction</i>
Budget and Planning Division.....	\$19, 353
Personnel Division.....	21, 897
New positions requested (34).....	113, 607
Foreign Broadcast Intelligence Service.....	500, 000
Radio Intelligence Division.....	1, 000, 000
Total reduction recommended.....	1, 654, 857

The reduction of \$1,000,000 in the estimate for the Radio Intelligence Division is specifically applied to that part of the work of the division relating to war activities now being performed by the Commission and which, in the opinion of the committee, should be performed by the War and Navy Departments, as recommended to the Secretary of the Navy in a letter dated February 1, 1943, and signed by Admiral William D. Leahy for the Joint Chiefs of Staff, and in a joint letter dated February 8, 1943, addressed to the President and signed by the Secretary of War and the Secretary of the Navy. These letters and a proposed Executive order transferring radio intelligence functions to the War and Navy Departments are incorporated in the hearings on the bill.

The committee believes that the statements and recommendations contained in the letters referred to give sufficient justification for the action it has recommended and it is of the belief that appropriate provision should be made at the earliest possible date to the end that the facilities of the Federal Communications Commission should not be used for purposes pertaining to the military unless specifically requested by the Joint Chiefs of Staff.

The committee thinks it appropriate to point out, however, that after the receipt of the afore-mentioned recommendations the President investigated the matter, did not concur in the recommendations, and submitted the Budget estimate for continuation of the work under the Federal Communications Commission. The reply of the President to the recommendations of the Secretary of War and the Secretary of the Navy, and the Joint Chiefs of Staff, will also be found in the printed hearings.

FEDERAL TRADE COMMISSION

The committee has recommended \$2,011,070 for salaries and expenses of this agency, which is \$35,930 less than the Budget estimates, the reduction being applied to the request for \$71,865 for an investigation of export trade associations. The committee has approved an increase of \$32,363 to provide seven additional trial attorneys in connection with unlawful-practices work.

FEDERAL WORKS AGENCY

Office of the Administrator.—In recommending \$331,752 for this office the committee has effected a reduction of \$25,248 in the Budget estimate of \$357,000, the denial of funds being applied to the following items:

	<i>Reduction</i>
Reimbursements.....	\$17,340
Increases for fiscal year 1945.....	4,162
Overtime.....	3,746
Total.....	25,248

Public Buildings Administration.—The committee has approved without change the estimate of \$44,463,400 for the several activities making up this agency. An increase of \$1,000,000 in the current appropriation of \$2,000,000 for repairs and preservation of public buildings outside the District of Columbia is urgently required. In support of this increase the Commissioner of Public Buildings testified that since the war started they have been working under reduced appropriations, that buildings are being more intensively used, that boilers, elevators, and other equipment are giving a good deal of concern, and that a sum far in excess of the amount requested could be used to advantage.

In connection with the item for the operation of public buildings and grounds in and adjacent to the District of Columbia, there is substantially no change, nonrecurring items for rental and repair of buildings just about offsetting the increases for the fiscal year 1945 in that respect and the actual increase of \$3,899,400 being accounted for almost entirely by the inclusion of the war overtime pay in the 1945 estimates. An exactly similar situation exists in the item for salaries and expenses in connection with the operation and maintenance of public buildings outside the District of Columbia, which contains an increase of \$1,152,400 in excess of the 1944 appropriation.

Public Roads Administration.—The committee has approved a total of \$110,000,000 for the continuation of construction of public roads and for surveys and plans. This sum is \$35,000,000 less than the 1944 appropriations and \$10,000,000 below the Budget estimates, the reduction being applied to the item for access roads for which a total of \$40,000,000 is contained in the bill. In addition to the above appropriations the committee wishes to report that during hearings on the bill it was advised by the Commissioner of Public Roads that under section 3 of the act of July 13, 1943, which authorizes the Public Roads Administration to cooperate with State highway departments in conducting engineering and economic investigations of projects for

future construction, that as of December 1, 1943, 29 State highway departments have indicated that more than \$25,000,000, of which approximately half is Federal funds, will be expended in their States for planning post-war highway improvements (p. 889 of the hearings).

FOREIGN SERVICE PAY ADJUSTMENT

The committee recommends an appropriation of \$722,390 for this purpose, which is \$82,390 more than the 1944 appropriation and \$31,610 less than the Budget estimate, the reduction being applied to the item of \$81,610 which is set up as a reserve for contingencies, it being the opinion of the committee that a reserve of \$50,000 should be sufficient.

GENERAL ACCOUNTING OFFICE

The committee considered estimates totaling \$38,400,000 for this Office and has recommended the entire amount without change. Aside from war-overtime compensation amounting to \$6,271,486, the committee has allowed an increase of \$5,197,514 for salaries, which will provide for additional personnel amounting to nearly 3,000. The work of this Office has increased many times since the beginning of the war program and it has been physically impossible to keep pace with the tremendous burden resulting from war expenditures. During the hearings on the bill the committee was advised by representatives of this Office that—

There is at present an accumulation of work in the Office which, with the present force, would require 1 year to complete.

The committee is aware of the fact that it is impossible for the General Accounting Office, under existing conditions, to keep current with all phases of accounting for expenditures approaching an annual figure amounting to \$100,000,000,000, and it believes that an increase in funds will provide the personnel necessary to improve this situation. The committee endorses the program of the Office in establishing Army audit branches in the field and the decentralization of other work, including provisional plans for a Navy audit branch at Cleveland, Ohio. The recruitment of qualified personnel and the location of appropriate quarters will be facilitated by the location of offices away from overcrowded and congested areas such as the District of Columbia.

INTERSTATE COMMERCE COMMISSION

A total of \$9,181,700 is recommended for this Commission, which is \$269,700 in excess of the 1944 appropriation and \$155,000 less than the Budget estimates, the reduction being applied to the item for valuation of property for which \$500,000 is allowed in lieu of the estimate for \$655,000. During hearings it was disclosed that this agency had deferred its own valuation work to perform similar work for the Maritime Commission and the Navy Department for which it was reimbursed under section 601 of the Economy Act. It was also disclosed that the Valuation Division is 10 years behind in the posting of changes in valuation, and it would appear that a further slackening of this work during the active period of the war would not be too serious a matter. In view of these conditions the committee believes that a reduction of \$155,000 in the estimate is justified.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The Budget estimate of \$23,220,130, for salaries and expenses, which is an increase of \$5,249,715, is recommended by the committee. In addition to funds required for war-time compensation there is included in the bill a sum sufficient to provide personnel for the operation of new facilities now under construction at Langley Field, Va., the Ames Aeronautical Laboratory in California, and the engine research laboratory in Ohio. The personnel is provided on an 8- and 9-month basis and the committee is advised that the new facilities will be ready for operation as originally planned. A break-down of the new positions provided will be found beginning on page 121 of the hearings. It is believed that recruitment of the necessary personnel will be successful in view of the fact that the Secretary of War, the Secretary of the Navy, and Under Secretaries Patterson and Forrestal, have requested the War Manpower Commission and Selective Service to give the National Advisory Committee for Aeronautics the highest priority. Letters from the officials referred to will be found beginning on page 116 of the hearings.

NATIONAL ARCHIVES

For salaries and expenses of The National Archives there is recommended \$1,042,340, which is an increase of \$157,340 in the 1944 appropriation and \$41,660 less than the Budget estimates. The reduction by the committee has been applied to the request for funds for additional personnel and represents the disallowance of approximately 50 percent of the funds requested for new personnel.

NATIONAL HOUSING AGENCY

Office of the Administrator.—Funds for the administrative expenses of this office are obtained by authorization in the bill providing for their transfer from money available to the constituent units. The committee has approved a total authorization for the transfer of \$500,000, which is \$43,900 less than the Budget estimates. Appropriate reductions have been made in the administrative expense funds of the constituent units.

The committee has been advised that of the 10 regional offices established by this Agency 2 have been eliminated and that as the war job proceeds in the communities it is hoped that further reductions can be made. The committee questions the extended continuance of these regional offices and recommends that the Administrator give serious consideration to their elimination at an early date.

Federal Home Loan Bank Administration.—The total authorization recommended in the bill for this agency, which includes the Federal Home Loan Bank System, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation is \$11,353,825, which is \$10,975 less than the Budget estimates. The reduction in the estimate is due to the disallowance of funds for the office of the Administrator, the sum of \$10,975 being the proportionate amount which the Bank Administration will not be required to furnish in view of such reduction.

Federal Housing Administration.—The bill includes \$10,484,635 for the salaries and expenses of this activity, which is \$284,805 more than

the 1944 appropriation and \$15,365 less than the Budget estimates, the reduction in the estimate being accounted for by a similar reduction in the funds required for transfer for the support of the Office of the Administrator. Funds for the payment of salaries and expenses are derived from the income from fees and insurance premiums.

The bill also includes \$5,000,000, payable from premiums collected as provided in the Housing Act, to cover payment of losses under insurance granted under section 2 and section 6, title I, of the National Housing Act.

Federal Public Housing Authority.—Under the reorganization plan setting up this activity the functions of a number of agencies formerly engaged in war housing were consolidated into the Federal Public Housing Authority.

While not directly related to the funds provided in this bill it is of interest to note that as of October 31, 1943, there was a total of 1,802,287 units of public war housing and private war housing assigned to specific localities. The total estimated cost is \$6,267,105,000. A detailed statement of authorizations and appropriations for public war housing, together with a statement of public and private construction will be found beginning on page 495 of the hearings.

The Budget estimate for the Federal Public Housing Authority, which is for administrative expenses of the housing program under the United States Housing Act of 1937, as amended, is \$2,950,000. The committee has recommended \$2,782,440, which is \$617,560 less than the 1944 authorization and \$167,560 less than the Budget estimate. Of the reduction recommended, \$17,560 is attributable to a reduction in funds required for transfer to the Administrator for the salaries and expenses of his office.

The committee has recommended an appropriation of \$9,500,000 for annual contributions, together with the unexpended balance of the 1944 appropriation which is a reduction of \$500,000 in the Budget estimate. The economy of operation, increased income from low-rent housing, and the payment of economic rentals by war workers have operated to keep down the contributions required from the Federal Government during recent years and the committee feels that the amount recommended will be sufficient.

SECURITIES AND EXCHANGE COMMISSION

The Budget estimates for this Commission contain an increase of \$59,800 for original cost studies under rule U 27 of the general rules and regulations promulgated under the Public Utility Holding Company Act of 1935. This rule will require some 28 gas and electric utilities, operating wholly within States and not required by the Federal Power Commission or a State commission to conform to a classification of accounts, to comply with requirements of the Commission as set forth by such rule. The committee has approved funds for this purpose.

The estimates also provide for an increase of \$171,080 for additional personnel for work under the Public Utility Holding Company Act and the Securities Exchange Act of 1934, and for the New York regional office, and which, in effect, would supply funds for personnel and work which has accumulated during the past 2 years. The

committee has denied the increase and is of the opinion that reductions heretofore required should not be restored during the war period, and it has serious doubts as to the availability of such trained personnel owing to the manpower shortage.

TARIFF COMMISSION

The committee has recommended a total of \$940,000 for salaries and expenses of this Commission, which is a reduction of \$50,000 in the estimates submitted by the Budget. Exclusive of overtime pay, the estimates provide for an increase of approximately \$50,000 in the 1944 appropriation. The recommendation of the committee will permit the Tariff Commission to function on the same basis as at the present time.

TENNESSEE VALLEY AUTHORITY

A provision is included in the bill making available the unexpended balance in the Tennessee Valley Authority fund as of June 30, 1944, estimated at \$19,262,298, and receipts during the fiscal year 1945, estimated at \$68,528,882, making an estimated available total of \$87,791,180 for the operations of this activity during the next fiscal year as compared with a total of \$143,492,852 provided from similar sources for the fiscal year 1944. A summary of the 1945 program for financing the activities of this agency is as follows:

Estimated obligations for indispensable war programs and high priority projects together with retirement of \$2,000,000 of funded debt.....	\$79, 134, 882
---	----------------

Financing this program:

First, by use of receipts from the following sources:

Power operations.....	\$36, 307, 515
Chemical operations.....	28, 265, 277
Other activities.....	3, 956, 090
	68, 528, 882

- Balancee not covered by receipts.....	10, 606, 000
---	--------------

Unexpended balancee, 1944 appropriation, unless projects deferred by War Production Board are ordered resumed, estimated to be.....	19, 262, 298
---	--------------

Reappropriation of this estimated unexpended 1944 balancee leaves reserve for contingencies and possible resumption of work on deferred projects of (\$19,262,298 minus \$10,606,000).....	8, 656, 298
--	-------------

The fact that the program for the fiscal year 1945 calls for an estimated expenditure which is \$55,701,762 less than the 1944 estimated expenditure is due to the falling off of construction work, and the reduction would be even greater were it not that there has been a substantial increase in operation and maintenance costs as additional plants are completed and go into production. In this connection the committee is pleased to report that funds available during the current fiscal year (1944) will be sufficient to bring to a close the major construction in the development of the Tennessee River in accordance with the program of the Tennessee Valley Authority.

The committee wishes to call attention to the table on page 413 of the hearings which sets forth in detail the cost of the project. In brief, it shows that plants in service as of June 30, 1943, represent a total expenditure of \$465,376,862, that construction in progress as of June 30, 1943, will cost \$208,586,197, with an additional sum of \$215,136,941 being required to complete such construction, making a grand total for completion of the entire project amounting to \$889,100,000.

UNITED STATES MARITIME COMMISSION

The Merchant Marine Act of 1936, as amended, directed the Maritime Commission, among other things, to develop a merchant marine capable of serving as a naval and military auxiliary in time of war or national emergency. At the present time and, in fact, for the past 3 years, the Commission has been engaged on substantially a 100-percent basis in carrying out this specific mandate.

The Budget estimates considered by the committee to replenish the "construction fund," propose a direct appropriation of \$6,776,000,000, and an increase of \$5,700,000,000 in the contractual authority heretofore granted the Commission. The committee has approved the above recommendations as submitted in the estimates, with the exception of a reduction of \$10,000,000 in the estimate of \$40,000,000 for administrative expenses. A summarization of the appropriations and contract authorizations heretofore granted, including the amounts contained in the bill, is as follows:

Total of contract authorizations, including \$5,700,000,000 in this bill.....	\$16, 926, 650, 000
Total of appropriations, including \$6,766,000,000 in this bill..	15, 869, 415, 499

Excess of contract authorizations over appropriations..	1, 057, 234, 501
---	------------------

The excess of contract authorization as shown above represents prospective obligations which will not require payment or appropriation until the fiscal year 1946.

The appropriation of \$6,766,000,000 to the construction fund, contained in the bill, is to cover commitments for ships under construction or under contract July 1, 1943, insofar as such commitments fall due during the fiscal year 1945; to cover administrative expenses; and to cover approximately \$220,000,000 of expenditures applicable to the fiscal year 1944 in excess of the previously estimated cash position of the Commission for that year, including initial payments on account of the additional new ships awarded subsequent to July 1, 1943.

The appropriation and contract authorization in the bill relate only to the so-called long-range program of the Commission and exclude funds for the emergency ship-construction program (which has been completed), the defense-aid program, and construction for the War and Navy Departments. Under the long-range program the Commission has completed 1,145 ships to June 30, 1943, at a total estimated cost of \$2,526,150,535. As of July 1, 1943, 2,992 ships were under construction or contract at a total estimated cost of \$7,840,370,525. Under the new program contracts for 2,359 ships have been or are to be awarded at a total estimated cost of \$6,111,931,627. A summary of funds required under the recently revised program as submitted to

the committee by representatives of the Maritime Commission is set forth below:

Expenditures prior to July 1, 1943.....	\$3, 643, 081, 203
Expenditures (estimated) fiscal year 1944.....	5, 281, 916, 447
Expenditures (estimated) fiscal year 1945.....	6, 506, 220, 536
Expenditures (estimated) fiscal year 1946 and beyond.....	1, 047, 234, 501

Over-all total for 6,496 ships to be constructed..... 16, 478, 452, 687

In support of the program above set forth the committee quotes from Admiral Land's testimony during the hearing:

The global war has apparently not reached its climax. In spite of construction records and virtual stopping of losses through submarine warfare, there is still a deficit in tonnage requirements. The time when available tonnage will be adequate for war requirements cannot yet be foreseen.

The committee was further advised by Admiral Land that the construction program called for the completion of nearly 19,000,000 tons of shipping in the calendar year 1943, and an estimated 21,700,000 for the calendar years 1944 and 1945.

The entire construction program, including defense aid, emergency construction, and construction for the War and Navy Departments, totals 7,490 ships of approximately 75,500,000 dead-weight tons.

In connection with the ship-construction program it is of interest to note that completed ships are being delivered at a rate in excess of five per day and will reach about six per day or one every 4 hours. The acceleration of completions may best be described by the following tabulation of deliveries:

July 1941.....	11	January 1943.....	102
January 1942.....	16	July 1943.....	158
July 1942.....	71	August 1943.....	166

In recommending a reduction of \$10,000,000 in the Budget estimate of \$40,000,000 for administrative expenses of the Commission the committee has provided a sum \$870,000 in excess of the 1944 appropriation which is increased from \$23,000,000 to \$29,130,000 by a provision included in this bill. Ship construction has reached its peak and administrative expense funds provided for the current year are in the amount requested by the Maritime Commission. It is the opinion of the committee, therefore, that a further substantial increase over the amount allowed for this purpose for the fiscal year 1944 is not justified.

The appropriation language for this activity has been approved in condensed and simplified form as submitted in the Budget estimates. It is the understanding of the committee that the omission of specific items heretofore contained in the bill is not intended to preclude the use of funds for such purposes.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services.—The committee has approved the Budget estimate of \$164,000,000. This amount covers all expenses of administration, including salaries and operating expenses of the central office in Washington, 45 hospitals, 42 combined facilities, 10 regional offices, 6 homes, and 2 supply depots; the cost of travel and examination of beneficiaries; repairs

and alterations to facilities and other property housing Administration activities; payments to contract institutions and other Government hospitals wherein Veterans' Administration patients are hospitalized; reimbursement to States for veterans cared for in State soldiers' homes; payment of burial expenses; the cost of administration of the national service life insurance; in general, all items of expense which are not direct monetary benefits to the veterans.

This represents an increase of \$46,323,000 over the appropriation for similar purposes in 1944 and is due to the additional cost including personnel, required for the increasing activities of the Veterans' Administration, i. e., hospitalization, insurance, pension and compensation, and rehabilitation. The cost of overtime is also included in the 1945 estimate but not in the appropriation for 1944.

Printing and binding.—The bill includes the Budget estimate of \$450,000 for printing and binding, which is an increase of \$25,000 over the appropriation granted for this purpose in 1944. This appropriation covers the printing and binding requirements of the Veterans' Administration, including the cost of forms used in connection with the national service life insurance, pension and compensation, hospitalization, vocational rehabilitation, etc.

Army and Navy pensions.—The bill includes the Budget estimate of \$558,252,000 for compensation and pensions, which is an increase of \$65,252,000 over the amount approved for the current fiscal year. Expenditures under this title cover the payment of all compensation, pensions, and allowances for veterans of the various wars or the Regular Establishment and their dependents in accordance with the laws enacted by the Congress. The increase in this estimate is due almost entirely to the additional number of veterans of World War II and their dependents who are expected to be added to the pension rolls.

Military and naval insurance.—The bill includes the Budget estimate of \$19,794,000, which is a decrease of \$1,664,000 from the amount granted for the current fiscal year. This appropriation covers payments arising from contracts with World War veterans for what was known as war-risk insurance. Payments are now being made (1) to veterans who suffered a permanent and total disability as a result of war service or during the post-war period in which they carried this type of insurance; (2) to beneficiaries of soldiers who died in service or during the post-war period in which this type of insurance was in force; and (3) to the Government life-insurance trust fund to meet obligations sustained by that fund incident to the extra hazards of military or naval service of persons so engaged while protected by Government life policies.

Hospital and domiciliary facilities.—The bill includes the Budget estimate of \$7,374,500 for items of major alteration, repair, and construction not providing additional beds. It is contemplated that funds for this latter purpose will be requested in a subsequent deficiency bill. A total of \$14,913,000 was approved under this appropriation for the 1944 fiscal year.

Adjusted service and dependent pay.—The committee has approved the Budget estimate of \$40,000, which covers payments of the amounts due under the World War Adjusted Compensation Act in cases

where such benefits are not covered by the issuance of an adjusted-service certificate. This is a continuing appropriation, and the balance remaining at the close of the fiscal year 1944 will also be available. This estimate is based upon the assumption that the time limit for filing claims for adjusted compensation which terminated January 2, 1940, will not be extended.

Adjusted-service certificate appropriated fund.—The bill includes the Budget estimate of \$9,000,000 for this purpose. This amount will be transferred to the adjusted-service-certificate trust fund for the payment of the face value of each adjusted-service certificate in accordance with the provisions of the World War Adjusted Compensation Act, 1924, as amended; or at the election of the veteran, exchange of the certificate for cash and bonds in accordance with the provisions of the Adjusted Compensation Payment Act, 1936.

National service life insurance.—The bill includes the Budget estimate of \$500,000,000 for this purpose, which covers payments to the national service life insurance trust fund to meet obligations sustained by that fund incident to excess mortality cost and the cost of waiver of premiums on account of total disability traceable to the extra hazards of military or naval service and the cost of waiver of the recovery of payments on national service life insurance policies in accordance with the provisions of the act.

Soldiers and sailors' civil relief.—The bill includes the Budget estimate of \$400,000 and covers the payment of premiums and interest thereon of insurance policies guaranteed by the Veterans' Administration in accordance with the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

On page 26, in connection with the appropriation for construction of the Inter-American Highway:

* * * and in addition thereto the Commissioner of Public Roads is authorized to enter into contracts for this purpose in an amount not exceeding \$6,000,000.

On pages 52 and 53, in connection with the appropriation for the United States Maritime Commission:

* * * *Provided, That the amount of contract authorizations contained in prior Acts for ship construction and facilities incident thereto is hereby increased by \$5,700,000,000 (toward which \$4,665,390,499 is included in the amount appropriated herein):* * * * *Provided further, That the amount which may be expended for administrative expenses in the fiscal year 1944 is hereby increased from \$23,000,000 to \$29,130,000.*

On page 61:

Sec. 107. If at any time during the fiscal year 1945 the termination of the Act entitled "An Act to provide temporary additional compensation for employees in the Postal Service," approved April 9, 1943, or of the Act entitled "An Act to provide for the payment of overtime compensation to Government employees, and for other purposes," approved May 7, 1943, shall be fixed by concurrent resolution of the Congress at a date earlier than June 30, 1945, the appropriations contained in this Act shall cease to be available on such earlier date for obligation for the purposes of the terminated Act and the unobligated portions of appropriations allocated for the purposes of such terminated Act shall not be obligated for any other purposes of the appropriation during the fiscal year 1945.

ADDITIONAL VIEWS OF MESSRS. STARNES, HENDRICKS, WIGGLESWORTH, AND CASE

The information and recommendations set forth in the succeeding paragraphs of this report deal with the action of the committee in recommending a reduction of \$1,000,000 in the Budget estimate for the Radio Intelligence Division of the Federal Communications Commission. The members who present these additional views wish it distinctly understood that they are fully in accord with the reduction recommended. Their purpose is to set forth more fully the reasons which impelled the committee to take such action.

In order that these reasons may be clearly presented, letters or quotations therefrom, and a copy of a proposed Executive order, are set forth below, as follows.

The following is a quotation from a letter to the Secretary of the Navy from the Joint Chiefs of Staff, dated February 1, 1943:

Radio intelligence activities of the Federal Communications Commission tend to be less and less useful as the art progresses. This is due to integration into proper radio-intelligence systems of large quantities of secret military information accumulated through special processes by the armed forces, including exchanges of military information with our allies, knowledge of present and proposed disposition of forces, and other special information which for obvious reasons cannot be disseminated to an agency such as the Federal Communications Commission.

Moreover, information obtained by the Federal Communications Commission through its own radio-intelligence activities is not, in the military sense, secure, due to inherent tendencies toward publicity of Federal Communications Commission activities, use of nonsecure methods of reporting and correlation, and the necessarily close relationship of Federal Communications Commission military-intelligence activity with other phases of the agency's work.

Because of the essential differences between military and Federal Communications Commission standards and methods it has not been possible to integrate their information, with the result that the attempted duplication by the Federal Communications Commission of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence.

* * * * *

The foregoing conclusions are supported by the views of the Army and Navy commanders in the field who are charged with responsibility for military action based on radio intelligence.

A proposed Executive order to carry into effect the recommendations of the Joint Chiefs of Staff was attached to their letter of February 1, 1943. It reads as follows:

EXECUTIVE ORDER

TRANSFERRING RADIO INTELLIGENCE FUNCTIONS TO THE WAR AND NAVY DEPARTMENTS

By virtue of the authority vested in me by Title I of the First War Powers Act, 1941, approved December 18, 1941, as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered as follows:

1. All functions, powers, and duties of the Federal Communications Commission in the field of radio intelligence and, particularly: In the conduct of direction-finding activities; the location of enemy radio transmissions abroad and at sea; the interception of radio traffic of foreign countries (excluding voice broadcasting); the detection, location, and suppression of clandestine or illegal stations both abroad and within the limits of the United States, its territories and possessions and the areas occupied by its armed forces; the giving of radio and direction-finding navigational aids to vessels and aircraft; the monitoring of United States Army and Navy communications circuits and the maintenance of distress frequency watches, are transferred to the Departments of War and Navy in accordance with distribution of functions established between them.

2. All records and property (including radio transmitting and receiving equipment) and all personnel of the Federal Communications Commission used primarily in the performance and administration of the functions transferred by this order are transferred to the War Department for use in the performance and administration of functions transferred by this order; but any personnel so transferred who are found by the War Department to be in excess of the personnel necessary for the performance and administration of such functions, powers, and duties shall be retransferred under existing law to other positions in the Government or separated from the Service. So far as possible, personnel transferred who are found qualified therefor shall be placed in a military status.

3. So much of the unexpended balance of the appropriations or other funds available, including those available for the fiscal year ending June 30, 1943, to the Federal Communications Commission in the exercise of functions transferred by this order as the Director of the Bureau of the Budget, with the approval of the President, shall determine, shall be transferred to the War Department for use in connection with the exercise of functions so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations or other funds prior to the transfer.

THE WHITE HOUSE,
February —, 1943.

A joint letter dated February 8, 1943, addressed to the President and signed by the Secretary of War and the Secretary of the Navy, is also inserted, as follows:

THE PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: We join with the United States Chiefs of Staff in recommending that you promulgate the attached Executive order transferring from the Federal Communications Commission to the Department of War certain radio intelligence functions.

Through radio intelligence activities, the military forces of the United States and our Allies obtain military information of the utmost importance. Radio intelligence is an important military weapon.

Participation by the Federal Communications Commission in radio intelligence should be discontinued, because:

Since radio intelligence develops information as to the movements and dispositions of the enemy, it is essential, for reasons of coordination and security, that there be full military control;

Since the responsibility for military action rests with the armed forces, the responsibility for obtaining the technical information governing that action must also be in the armed forces;

Military activities have been hampered by severe shortages of trained personnel and critical equipment essential to radio intelligence.

The Secretary of the Navy, on September 11, 1942, requested the Joint Chiefs of Staff to study the problem of responsibility and security of radio intelligence. The Joint Chiefs of Staff have made a thorough and comprehensive study, and their response (based on that study) is attached hereto. They, as well as the responsible military commanders in the field, are of the belief that radio intelligence, the location of clandestine stations, the supervision of military communications security and related activities must, in their very nature, be under the sole control of the military forces.

Enclosed herewith is a copy of a letter from Admiral Leahy recommending this action.

Yours respectfully,

HENRY L. STIMSON,
Secretary of War.

FRANK KNOX,
Secretary of the Navy.

JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
FRANCIS CASE.

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Comparative statement of the amounts appropriated for the fiscal year 1944, the Budget estimates for the fiscal year 1945, and the amounts recommended in the accompanying bill for 1945

(NOTE.—Appropriations for 1944 include supplemental and deficiency appropriations)

Object	Appropriations, 1944	Budget estimates, 1945	Amount recommended in bill for 1945	Increase (+) or decrease (—) bill compared with 1944 appropriation	Increase (+) or decrease (—) bill compared with 1945 Budget estimates
EXECUTIVE OFFICE OF THE PRESIDENT					
President, salary of-----	\$75,000	\$75,000	\$75,000		
Vice President, salary of-----	15,000	15,000	15,000		
The White House Office:					
Salaries-----	222,190	256,431	256,431	+\$34,241	
Contingent expenses-----	47,300	50,000	50,000	+2,700	
Printing and binding-----	2,700	2,700	2,700		
Traveling expenses-----	30,000	30,000	30,000		
Total, the White House Office-----	302,190	339,131	339,131	+36,941	
Executive Mansion and Grounds-----	151,500	150,000	150,000	—1,500	
Bureau of the Budget:					
Salaries and expenses-----	1,627,500	2,828,000	2,290,340	+662,840	—\$537,660
Printing and binding-----	52,000	52,000	52,000		
National defense activities-----	825,000	947,000	879,800	+54,800	—67,200
Total, Bureau of the Budget-----	2,504,500	3,827,000	3,222,140	+717,640	—604,860

National Resources Planning Board: Salaries and expenses-----	279,500				-79,500	
Total, Executive Office of the President-----	3,127,690	4,406,131		3,801,271	+673,581	-604,860
American Battle Monuments Commis- sion-----	45,530	41,785		41,785	-3,745	
Board of Investigation and Research— Transportation-----	275,000				-275,000	
CIVIL SERVICE COMMISSION						
Salaries and expenses-----	4,918,400	}	(3)			
Prevention of pernicious political activities	50,000				-5,145,900	
Printing and binding-----	177,500					
Salaries and expenses-----		6,081,473		6,056,473	+6,056,473	-25,000
National defense activities-----	411,216,705	13,198,000		12,995,504	+1,778,799	-202,496
Civil-service retirement and disability fund-----	175,104,000	194,500,000		194,500,000	+19,396,000	
Canal Zone retirement and disability fund-----	1,177,000	1,177,000		1,177,000		

¹ Includes \$75,000 in First Supplemental National Defense Act, 1944.

² Includes \$29,500 contained in Second Deficiency Appropriation Act, 1943.

³ For the fiscal year 1945 the Budget proposes consolidation of these 3 items into the item, "Salaries and expenses," immediately following.

⁴ Includes \$325,000 contained in Second Deficiency Appropriation Act, 1943, and \$891,705 in First Supplemental National Defense Act, 1944.

Comparative statement of the amounts appropriated for the fiscal year 1944, the Budget estimates for the fiscal year 1945, and the amounts recommended in the accompanying bill for 1945—Continued

Object	Appropriations, 1944	Budget estimates, 1945	Amount recommended in bill for 1945	Increase (+) or decrease (—), bill compared with 1944 appropriation	Increase (+) or decrease (—), bill compared with 1945 Budget estimates
CIVIL SERVICE COMMISSION—continued					
Alaska Railroad retirement and disability fund.....	\$175,000	\$175,000	\$175,000		
Total, Civil Service Commission.....	192,818,605	215,131,473	214,903,977	+\$22,085,372	—\$227,496
FEDERAL COMMUNICATIONS COMMISSION					
Salaries and expenses.....	2,000,000	2,209,000	2,209,000	+209,000	
Printing and binding.....	19,600	16,700	16,700	—2,900	
National defense activities.....	5,590,314	6,146,000	4,491,143	—1,099,171	—\$1,654,857
Total, Federal Communications Commission.....	7,609,914	8,371,700	6,716,843	—893,071	—1,654,857
FEDERAL POWER COMMISSION					
Salaries and expenses.....	1,800,000	2,000,000	2,000,000	+200,000	
Flood-control surveys.....	125,000	144,500	144,500	+19,500	
National defense activities.....	519,255	600,000	600,000	+80,745	
Printing and binding.....	25,000	30,000	30,000	+5,000	
Total, Federal Power Commission.....	2,469,255	2,774,500	2,774,500	+305,245	

FEDERAL TRADE COMMISSION					
Salaries and expenses-----	1, 900, 000	2, 047, 000	2, 011, 070	+ 111, 070 ⁵	— 35, 930
Printing and binding-----	43, 000	48, 900	48, 900	+ 5, 900	-----
Total, Federal Trade Commission-----	1, 943, 000	2, 095, 900	2, 059, 970	+ 116, 970	— 35, 930
FEDERAL WORKS AGENCY					
Office of the Administrator-----	275, 000	357, 000	331, 752	+ 56, 752	— 25, 248
War public works, community facilities-----	\$ 50, 000, 000	-----	-----	— 50, 000, 000	-----
Work relief, Puerto Rico and Virgin Islands-----	\$ 7, 000, 000	-----	-----	— 7, 000, 000	-----
Total, Office of the Administrator-----	57, 275, 000	357, 000	331, 752	— 56, 943, 248	— 25, 248
Public Buildings Administration:					
General administrative expenses-----	1, 225, 000	1, 350, 000	1, 350, 000	+ 125, 000	-----
Repair, preservation, and equipment-----	2, 000, 000	3, 000, 000	3, 000, 000	+ 1, 000, 000	-----
Salaries and expenses, public buildings and grounds in and adjacent to District of Columbia-----	25, 633, 000	29, 532, 400	29, 532, 400	+ 3, 899, 400	-----
Salaries and expenses, public buildings outside District of Columbia-----	⁶ 9, 428, 600	10, 581, 000	10, 581, 000	+ 1, 152, 400	-----
Total, Public Buildings Administration-----	38, 286, 600	44, 463, 400	44, 463, 400	+ 6, 176, 800	-----

⁵ Contained in Second Deficiency Act, 1943.⁶ Includes \$2,920,000 in First Supplemental National Defense Act, 1944.

Comparative statement of the amounts appropriated for the fiscal year 1944, the Budget estimates for the fiscal year 1945, and the amounts recommended in the accompanying bill for 1945—Continued

Object	Appropriations, 1944	Budget estimates, 1945	Amount recommended in bill for 1945	Increase (+) or decrease (-), bill compared with 1944 appropriation	Increase (+) or decrease (-), bill compared with 1945 Budget estimates
FEDERAL WORKS AGENCY—continued					
Public Roads Administration:					
Federal-aid highway system-----	\$40, 000, 000	\$40, 000, 000	\$40, 000, 000	-----	-----
Inter-American Highway-----	5, 000, 000	\$ 2, 000, 000	\$ 2, 000, 000	-\$3, 000, 000	-----
Inter-American Highway (Costa Rica)-----	7 12, 000, 000	-----	-----	-12, 000, 000	-----
Secondary or feeder roads-----	-----	3, 000, 000	3, 000, 000	+3, 000, 000	-----
Strategic highway network-----	10, 000, 000	20, 000, 000	20, 000, 000	+10, 000, 000	-----
Access roads-----	75, 000, 000	50, 000, 000	40, 000, 000	-35, 000, 000	-\$10, 000, 000
Surveys and plans-----	3, 000, 000	5, 000, 000	5, 000, 000	+2, 000, 000	-----
Total, Public Roads Administration-----	145, 000, 000	120, 000, 000	110, 000, 000	-35, 000, 000	-10, 000, 000
Total, Federal Works Agency-----	240, 561, 600	164, 820, 400	154, 795, 152	-85, 766, 448	-10, 025, 248
Foreign Service pay adjustment-----	\$ 640, 000	754, 000	722, 390	+82, 390	-31, 610

GENERAL ACCOUNTING OFFICE				
Salaries-----	25, 531, 000	37, 000, 000	37, 000, 000	+11, 469, 000
Miscellaneous expenses-----	¹⁰ 932, 645	1, 200, 000	1, 200, 000	+267, 355
Printing and binding-----	¹¹ 181, 000	200, 000	200, 000	+19, 000
Total, General Accounting Office-----	26, 644, 645	38, 400, 000	38, 400, 000	+11, 755, 355
INTERSTATE COMMERCE COMMISSION				
General administrative expenses-----	2, 800, 000	3, 119, 000	3, 119, 000	+319, 000
Regulating accounts-----	795, 000	473, 000	473, 000	-322, 000
Safety of employees-----	520, 000	604, 000	604, 000	+84, 000
Signal safety systems-----	155, 000	182, 000	182, 000	+27, 000
Locomotive inspection-----	493, 000	548, 000	548, 000	+55, 000
Valuation of property-----	600, 000	655, 000	500, 000	-100, 000
Motor-transport regulation-----	3, 100, 000	3, 260, 000	3, 260, 000	+160, 000
Printing and binding-----	150, 000	157, 700	157, 700	+7, 700
Salaries and expenses (national defense)-----	299, 000	338, 000	338, 000	+39, 000
Total, Interstate Commerce Commission-----	8, 912, 000	9, 336, 700	9, 181, 700	+269, 700
				-155, 000

⁷ Contained in Second Deficiency Act, 1943.⁸ And contract authorization not exceeding \$6,000,000.⁹ Includes \$300,000 in First Supplemental National Defense Act, 1944.¹⁰ Includes \$208,000 in First Supplemental National Defense Act, 1944.¹¹ Includes \$23,000 in First Supplemental National Defense Act, 1944.

Comparative statement of the amounts appropriated for the fiscal year 1944, the Budget estimates for the fiscal year 1945, and the amounts recommended in the accompanying bill for 1945—Continued

Object	Appropriations, 1944	Budget estimates, 1945	Amount recommended in bill for 1945	Increase (+) or decrease (—), bill compared with 1944 appropriation	Increase (+) or decrease (—), bill compared with 1945 Budget estimates
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS					
Salaries and expenses-----	¹² \$17, 970, 415	\$23, 220, 130	\$23, 220, 130	+\$5, 249, 715	-----
Printing and binding-----	15, 000	15, 000	15, 000	-----	-----
Construction and equipment, Langley Field, Va-----	¹³ 8, 864, 200	-----	-----	—8, 864, 200	-----
Construction and equipment, Ames Aeronautical Laboratory-----	¹⁴ 5, 956, 600	-----	-----	—5, 956, 600	-----
Aircraft Engine Research Laboratory, Cleveland, Ohio-----	¹⁵ 3, 936, 000	-----	-----	—3, 936, 000	-----
Total, National Advisory Committee for Aeronautics-----	36, 742, 215	23, 235, 130	23, 235, 130	—13, 507, 085	-----
NATIONAL ARCHIVES					
Salaries and expenses-----	885, 000	1, 084, 000	1, 042, 340	+157, 340	--\$41, 660
Printing and binding-----	7, 000	7, 000	7, 000	-----	-----
Total, National Archives-----	892, 000	1, 091, 000	1, 049, 340	+157, 340	—41, 660
National Capital Housing Authority-----	12, 000	16, 000	16, 000	+4, 000	-----

NOTE.—The following amounts for the National Housing Agency shown in parentheses and italics are from funds heretofore made available to such agencies and are not

charged as regular appropriations or carried in the totals in this tabulation:

NATIONAL HOUSING AGENCY

Office of Administrator, salaries, and expenses-----

War Housing-----

Federal Home Loan Bank Administration-----

Federal Housing Administration:

Salaries and expenses-----

Payment of losses-----

Federal Public Housing Authority:

Salaries and expenses-----

Annual contributions-----

Total, National Housing Agency
(appropriated funds)-----

Total, National Housing Agency
(from funds heretofore made available)-----

¹² Includes \$2,298,415 in First Supplemental National Defense Act, 1944.

¹³ Includes \$8,804,200 in First Supplemental National Defense Act, 1944.

¹⁴ Includes \$2,249,100 in First Supplemental National Defense Act, 1944.

¹⁵ Contained in First Supplemental National Defense Act, 1944.

¹⁶ Funds for office of Administrator provided by transfer from 3 constituent units making up this Agency.

¹⁷ \$100,000,000 contained in Second Deficiency Appropriation Act, 1943, and \$50,000,000 in First Supplemental National Defense Act, 1944.

¹⁸ And unexpended balance.

	¹⁶ (508, 780)	¹⁶ (543, 900)	¹⁶ (500, 000)	(-8, 780)	(-43, 900)
	¹⁷ 150, 000, 000			-150, 000, 000	
	(11, 642, 200)	(11, 364, 800)	(11, 353, 825)	(-288, 375)	(-10, 975)
	(10, 199, 830)	(10, 500, 000)	(10, 484, 635)	(+284, 805)	(-15, 365)
	(5, 000, 000)	(5, 000, 000)	(5, 000, 000)		
	(3, 400, 000)	(2, 950, 000)	(2, 782, 440)	(-617, 560)	(-167, 560)
	5, 750, 000	¹⁸ 10, 000, 000	¹⁸ 9, 500, 000	+3, 750, 000	-500, 000
	155, 750, 000	10, 000, 000	9, 500, 000	-146, 250, 000	-500, 000
	(30, 242, 030)	(29, 814, 800)	(29, 620, 900)	(-621, 130)	(-193, 900)

Comparative statement of the amounts appropriated for the fiscal year 1944, the Budget estimates for the fiscal year 1945, and the amounts recommended in the accompanying bill for 1945—Continued

Object	Appropriations, 1944	Budget estimates, 1945	Amount recommended in bill for 1945	Increase (+) or decrease (—), bill compared with 1944 appropriation	Increase (+) or decrease (—), bill compared with 1945 Budget estimates
SECURITIES AND EXCHANGE COMMISSION					
Salaries and expenses-----	\$4,000,000	\$4,857,000	\$4,651,704	+\$651,704	—\$205,296
Printing and binding-----	48,000	45,000	45,000	—3,000	-----
Total, Securities and Exchange Commission-----	4,048,000	4,902,000	4,696,704	+648,704	—205,296
SMITHSONIAN INSTITUTION					
Salaries and expenses-----	1,129,040	1,224,090	1,224,090	+95,050	-----
National Gallery of Art, salaries and expenses-----	541,365	634,000	634,000	+92,635	-----
Total, Smithsonian Institution-----	1,670,405	1,858,090	1,858,090	+187,685	-----
TARIFF COMMISSION					
Salaries and expenses-----	800,000	980,000	930,000	+130,000	—50,000
Printing and binding-----	10,000	10,000	10,000	-----	-----
Total, Tariff Commission-----	810,000	990,000	940,000	+130,000	—50,000
Tennessee Valley Authority-----	(19)	(20)	(20)	-----	-----

THE TAX COURT OF THE UNITED STATES						
Salaries and expenses-----	555, 940	555, 000	555, 000	— 940		
Printing and binding-----	32, 000	32, 000	32, 000			
Total, The Tax Court of the United States-----	587, 940	587, 000	587, 000	— 940		
U. S. Maritime Commission, construction-----	1, 289, 780, 000	6, 776, 000, 000	6, 766, 000, 000	+ 5, 476, 220, 000		— 10, 000, 000
VETERANS' ADMINISTRATION						
Administration, medical, hospital, and domiciliary services-----	117, 677, 000	164, 000, 000	164, 000, 000	+ 46, 323, 000		
Printing and binding-----	²¹ 425, 000	450, 000	450, 000	+ 25, 000		
Pensions and compensations-----	493, 000, 000	558, 252, 000	558, 252, 000	+ 65, 252, 000		
Military and naval insurance-----	21, 458, 000	19, 794, 000	19, 794, 000	— 1, 664, 000		
Adjusted service and dependent pay-----	125, 000	40, 000	40, 000	— 85, 000		
Adjusted compensation payments-----		9, 000, 000	9, 000, 000	+ 9, 000, 000		
National service life insurance-----	250, 000, 000	500, 000, 000	500, 000, 000	+ 250, 000, 000		
Vocational rehabilitation revolving fund-----	500, 000			— 500, 000		
Soldiers' and sailors' civil relief-----	70, 000	400, 000	400, 000	+ 330, 000		
Hospital and domiciliary facilities-----	²² 14, 913, 000	7, 374, 500	7, 374, 500	— 7, 538, 500		
Total, Veterans' Administration-----	898, 168, 000	1, 259, 310, 500	1, 259, 310, 500	+ 361, 142, 500		
Grand total, Executive Office and independent establishments-----	2, 873, 507, 799	8, 524, 122, 309	8, 500, 590, 352	+ 5, 627, 082, 553		— 23, 531, 957

¹⁹ Unexpended balance on June 30, 1943, and receipts during 1944, made available.

²⁰ Unexpended balance on June 30, 1944, and receipts during 1945, made available.

²¹ Includes \$225,000 in First Supplemental National Defense Act, 1944.

²² Includes \$10,356,000 in First Supplemental National Defense Act, 1944

Union Calendar No. 355

78TH CONGRESS
2^D SESSION

H. R. 4070

[Report No. 1023]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 1944

Mr. WOODRUM of Virginia, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the state of the Union and ordered to be printed

A BILL

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Execu-
5 tive Office and sundry independent executive bureaus, boards,
6 commissions, and offices, for the fiscal year ending June 30,
7 1945, namely:

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND VICE PRESIDENT

For compensation of the President of the United States,
\$75,000.

For compensation of the Vice President of the United
States, \$15,000.

THE WHITE HOUSE OFFICE

Salaries: For personal services in the office of the President, including the Secretary to the President, two additional secretaries to the President and six administrative assistants to the President at \$10,000 each; \$256,431: *Provided*, That employees of the executive departments and other establishments of the executive branch of the Government may be detailed from time to time to the office of the President of the United States for such temporary assistance as may be deemed necessary.

Contingent expenses: For contingent expenses of The White House Office, including stationery, record books, telegrams, telephones, books for library, furniture and carpets for offices, automobiles, expenses of garage, including labor, special services, and miscellaneous items to be expended in the discretion of the President, \$50,000.

For printing and binding, \$2,700.

Traveling expenses: For traveling and official enter-

1 tainment expenses of the President of the United States, to
2 be expended in his discretion and accounted for on his
3 certificate solely, \$30,000.

4 EXECUTIVE MANSION AND GROUNDS

5 For the care, maintenance, repair and alteration, re-
6 furnishing, improvement, heating and lighting, including
7 electric power and fixtures of the Executive Mansion and
8 the Executive Mansion grounds, and traveling expenses, to
9 be expended as the President may determine, notwithstand-
10 ing the provisions of any other Act, \$150,000.

11 BUREAU OF THE BUDGET

12 Salaries and expenses: For all expenses necessary for
13 the work of the Bureau of the Budget, including personal
14 services in the District of Columbia and elsewhere, contract
15 stenographic reporting services, traveling expenses, includ-
16 ing expenses of attendance at meetings when necessary in
17 furthering the work of the Bureau of the Budget, lawbooks,
18 books of reference, periodicals and newspapers (not ex-
19 ceeding \$500), teletype news service, maintenance, repair,
20 and operation of three passenger-carrying automobiles for
21 official use, and not to exceed \$55,000 for temporary
22 employment of persons or organizations by contract
23 or otherwise without regard to section 3709 of the
24 Revised Statutes, or the Classification Act of 1923, as

1 amended, \$2,290,340, of which \$44,940 shall be allocated
2 to the Federal Board of Hospitalization.

3 For printing and binding, \$52,000.

4 National defense activities: For all necessary expenses
5 of the Bureau of the Budget in the performance of activities
6 relating to the national defense, including all the objects
7 for which the appropriation "Salaries and expenses, Bureau
8 of the Budget" is available, and including the temporary
9 employment (not exceeding \$65,000) of persons or
10 organizations by contract or otherwise, without regard
11 to section 3709 of the Revised Statutes and the Classification
12 Act of 1923, as amended; the employment of persons, includ-
13 ing State, county, or municipal officers and employees, with
14 or without compensation; and the payment of actual trans-
15 portation and other necessary expenses and not to exceed
16 \$10 per diem in lieu of subsistence of persons serving, while
17 away from their homes without other compensation from
18 the United States, in an advisory capacity to the Bureau,
19 \$879,800.

20 INDEPENDENT ESTABLISHMENTS

21 AMERICAN BATTLE MONUMENTS COMMISSION

22 For all expenses necessary for the work of the Ameri-
23 can Battle Monuments Commission authorized by the Act
24 of March 4, 1923 (36 U. S. C. 121-138), and by Execu-

1 tive Order Numbered 6614 of February 26, 1934, including
2 the acquisition of land or interest in land in foreign countries
3 for carrying out the purposes of said Act and Executive
4 Order without submission to the Attorney General of the
5 United States under the provisions of section 355 of the
6 Revised Statutes (34 U. S. C. 520; 40 U. S. C. 255);
7 employment of personal services in the District of Columbia
8 and elsewhere; purchase and repair of uniforms for caretakers
9 of national cemeteries and monuments in Europe at a cost
10 not exceeding \$500; travel expenses; rent of office and
11 garage space in foreign countries which may be paid for
12 in advance; the maintenance, repair, and operation of motor-
13 propelled passenger-carrying vehicles which may be fur-
14 nished to the Commission by other departments of the
15 Government or acquired by purchase; printing, binding,
16 engraving, lithographing, photographing, and typewriting,
17 including the publication of information concerning the
18 American activities, battlefields, memorials, and cemeteries
19 in Europe; transfer of household goods and effects as pro-
20 vided by the Act of October 10, 1940, and regulations
21 promulgated thereunder, and, when ordered or approved
22 by the Commission, expenses of travel of dependents of
23 employees when transferred from one official station to an-
24 other, and the temporary transfer of employees by the

1 Commission between places in foreign countries or between
2 foreign countries and the United States, including transfers
3 incident thereto, or, in the case of new appointments, trans-
4 fer from place of appointment, may, if ordered or approved
5 by the Commission, be regarded as a transfer from one offi-
6 cial station to another for permanent duty for the purpose
7 of authorizing the payment of travel of dependents and for
8 the purposes of said Act of October 10, 1940, and regula-
9 tions promulgated thereunder; and the purchase of maps,
10 textbooks, newspapers and periodicals; \$41,785: *Provided*,
11 That notwithstanding the requirements of existing laws or
12 regulations, and under such terms and conditions as the
13 Commission may in its discretion deem necessary and proper,
14 the Commission may contract for work, supplies, materials,
15 and equipment in Europe and engage, by contract or other-
16 wise, the services of architects, firms of architects, and other
17 technical and professional personnel: *Provided further*, That
18 when traveling on business of the Commission, officers of
19 the Army serving as members or as secretary of the Com-
20 mission may be reimbursed for expenses as provided for
21 civilian members of the Commission: *And provided further*,
22 That the Commission may delegate to its chairman, secre-
23 tary, or officials in charge of either its Washington or Paris
24 offices, under such terms and conditions as it may prescribe,
25 such of its authority as it may deem necessary and proper.

CIVIL SERVICE COMMISSION

Salaries and expenses: For all expenses necessary for the work of the Civil Service Commission, including personal services in the District of Columbia; not to exceed \$5,000 for employment of expert examiners not in the Federal service on special subjects for which examiners within the service are not available; medical examinations; contract stenographic reporting services; traveling expenses, including those of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere, including not to exceed \$5,000 for expenses of attendance at meetings of organizations concerned with the work of the Commission; witness fees and mileage, including fees to deponents and persons taking depositions, at rates paid in the courts of the United States; rental of equipment; laundry service; not to exceed \$10,000 for purchase and exchange of lawbooks, books of reference, newspapers, and periodicals; not to exceed \$200 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; charts; purchase, maintenance, and repair of motortrucks, motorcycles, and bicycles: not to exceed \$217,000 for printing and binding; \$6,056,473. of which not to exceed \$100,000 shall be available for reimbursement to the Veterans' Administration for services ren-

1 dered the Commission in connection with physical examina-
2 tions of applicants for and employees in the Federal classified
3 service; not to exceed \$113,000 for performing the duties im-
4 posed upon the Civil Service Commission by the Act of July
5 19, 1940 (54 Stat. 767) ; and not to exceed \$3,000 for ac-
6 tual services by contract, without regard to section 3709,
7 Revised Statutes: *Provided*, That no details from any execu-
8 tive department or independent establishment in the District
9 of Columbia or elsewhere to the Commission's central office
10 in Washington or to any of its regional offices shall be made
11 during the fiscal year ending June 30, 1945, but this shall
12 not affect the making of details for service as members of the
13 boards of examiners outside the immediate offices of the
14 regional directors, nor shall it affect the making of details of
15 persons qualified to serve as expert examiners on special sub-
16 jects: *Provided further*, That the Civil Service Commission
17 shall have power in case of emergency to transfer or detail
18 any of its employees to or from its office or field force.

19 Salaries and expenses, national defense: For all necessary
20 expenses of the Civil Service Commission in connection with
21 the recruitment and placement of civilian personnel required
22 in connection with emergencies affecting the national security
23 and defense, including personal services in the District of
24 Columbia, traveling expenses; and other items otherwise

1 properly chargeable to appropriations of the Civil Service
 2 Commission for salaries and expenses and not to exceed \$50,-
 3 000 for printing and binding, \$12,995,504: *Provided*, That
 4 upon the expiration of sixty days after the cessation of hos-
 5 tilities between the United States and the principal enemy
 6 powers or after the date of an armistice between the United
 7 States and the principal enemy powers, this appropriation
 8 shall cease to be available for obligations unless Congress
 9 shall otherwise provide by law.

10 CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

11 For financing of the liability of the United States,
 12 created by the Act entitled "An Act for the retirement of
 13 employees in the classified civil service, and for other pur-
 14 poses", approved May 22, 1920, and Acts amendatory
 15 thereof (38 U. S. C. 11), \$194,500,000, which amount shall
 16 be placed to the credit of the "civil-service retirement and
 17 disability fund".

18 CANAL ZONE RETIREMENT AND DISABILITY FUND

19 For financing of the liability of the United States,
 20 created by the Act entitled "An Act for the retirement of
 21 employees of the Panama Canal and the Panama Railroad
 22 Company, on the Isthmus of Panama, who are citizens of the
 23 United States", approved March 2, 1931, and Acts
 24 amendatory thereof (48 U. S. C. 1371n), \$1,177,000,

1 which amount shall be placed to the credit of the "Canal
2 Zone retirement and disability fund".

3 ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

4 For financing of the liability of the United States created
5 by the Act entitled "An Act for the retirement of employees
6 of the Alaska Railroad, Territory of Alaska, who are citizens
7 of the United States", approved June 29, 1936 (49 Stat.
8 2017), \$175,000, which amount shall be placed to the
9 credit of the "Alaska Railroad retirement and disability
10 fund."

11 FEDERAL COMMUNICATIONS COMMISSION

12 Salaries and expenses: For salaries and expenses of the
13 Federal Communications Commission in performing the
14 duties imposed by the Communications Act of 1934, ap-
15 proved June 19, 1934 (48 Stat. 1064), the Ship Act of
16 1910, approved June 24, 1910, as amended (46 U. S. C.
17 484-487), the International Radiotelegraphic Convention
18 (45 Stat., pt. 2, p. 2760), Executive Order Numbered
19 3513, dated July 9, 1921, as amended under date of June
20 30, 1934, relating to applications for submarine cable li-
21 censes, and the radiotelegraphy provisions of the Conven-
22 tion for Promoting Safety of Life at Sea, ratified by the
23 President July 7, 1936, including personal services, con-
24 tract stenographic reporting services, rental of quarters,
25 newspapers, periodicals, reference books, lawbooks, special

1 counsel fees, supplies and equipment, improvement and care
2 of grounds and repairs to buildings (not to exceed \$5,000),
3 purchase (not to exceed seven), maintenance, operation, and
4 repair of motor-propelled passenger-carrying vehicles for
5 official use in the field, travel expenses, including not exceed-
6 ing \$1,000 for expenses of attendance at meetings which in
7 the discretion of the Commission are necessary for the effi-
8 cient discharge of its responsibilities, reimbursement to ships
9 of the United States for charges incurred by such ships in
10 transmitting information in compliance with section 357 of
11 the Communications Act of 1934, as amended, \$2,209,000,
12 of which amount not to exceed \$1,341,000 may be expended
13 for personal services in the District of Columbia, including
14 compensation of employees of the Interdepartment Radio
15 Advisory Committee.

16 Printing and binding: For printing and binding for
17 the Federal Communications Commission, \$16,700.

18 Salaries and expenses, national defense: For all ex-
19 penses necessary to enable the Federal Communications Com-
20 mission, without regard to section 3709 of the Revised
21 Statutes, to perform its functions related to national defense,
22 including radio monitoring and foreign broadcast analysis,
23 including all of the items of expenditure for which the ap-
24 propriation "Salaries and expenses, Federal Communications
25 Commission", is available and not to exceed \$9,000 for salary

1 of Director of the Foreign Broadcast Intelligence Service;
2 not to exceed twenty passenger-carrying automobiles; not
3 to exceed \$40,000 for the temporary employment
4 of persons or organizations, by contract or otherwise,
5 without regard to the civil service and classification laws
6 and, in the case of language or other experts, without regard
7 to any requirements of this Act with respect to citizenship,
8 where citizens qualified to perform such work are not avail-
9 able; and not to exceed \$24,200 for printing and binding,
10 \$4,491,143: *Provided*, That upon the expiration of sixty
11 days after the cessation of hostilities between the United
12 States and the principal enemy powers or after the date of
13 an armistice between the United States and the principal
14 enemy powers, this appropriation shall cease to be available
15 for obligations unless Congress shall otherwise provide by
16 law.

17 FEDERAL POWER COMMISSION

18 SALARIES AND EXPENSES

19 For all expenses necessary for the work of the Federal
20 Power Commission as authorized by law except for the work
21 authorized by the Act of June 28, 1938, authorizing the
22 construction of certain public works on rivers and harbors
23 for flood control, and for other purposes (33 U. S. C.
24 701a), including traveling expenses; expenses of attendance
25 at meetings which in the discretion of the Commission are

1 necessary for the efficient discharge of its responsibilities;
2 contract stenographic reporting services; purchase (not to
3 exceed \$3,000), hire, maintenance, repair, and operation
4 of motor-propelled passenger-carrying vehicles, including not
5 more than one such vehicle for general administrative use
6 in the District of Columbia; and not exceeding \$5,000 for
7 purchase and exchange of lawbooks, books of reference,
8 newspapers, and periodicals, \$2,000,000; of which amount
9 not to exceed \$1,175,000 shall be available for personal serv-
10 ices in the District of Columbia exclusive of not to exceed
11 \$10,000, which may be expended for consultants and special
12 counsel.

13 Flood-control surveys: For all expenses necessary for
14 the work of the Federal Power Commission as authorized
15 by the provisions of the Act of June 28, 1938 (52 Stat.
16 1215), including travel expenses; contract stenographic re-
17 porting services; \$144,500, of which amount not to exceed
18 \$95,000 shall be available for personal services in the Dis-
19 trict of Columbia.

20 National defense activities: For all necessary expenses
21 (except printing and binding) to enable the Federal Power
22 Commission to perform additional activities in connection
23 with the national security and defense, including activities
24 under the provisions of the Federal Power Act, activities
25 under Executive Order Numbered 9165 dated May 19,

1 1942, and activities for the protection of the electric power
2 supply against hostile acts, such expenses to include all items
3 of expenditure for which the appropriations under the head-
4 ing "Salaries and expenses, Federal Power Commission",
5 are available, \$600,000: *Provided*, That the Commission
6 may make expenditures in addition to the foregoing, for
7 duties connected with the national security and defense,
8 from other appropriations available to it: *Provided*, That
9 upon the expiration of sixty days after the cessation of hos-
10 tilities between the United States and the principal enemy
11 powers or after the date of an armistice between the United
12 States and the principal enemy powers, this appropriation
13 shall cease to be available for obligations unless Congress
14 shall otherwise provide by law.

15 For all printing and binding for the Federal Power
16 Commission, including engraving, lithographing, and photo-
17 lithographing, \$30,000.

18 FEDERAL TRADE COMMISSION

19 For salaries and expenses of the Federal Trade Com-
20 mission, including personal services in the District of Colum-
21 bia; contract stenographic reporting services; supplies and
22 equipment, lawbooks, books of reference, periodicals, garage
23 rentals; traveling expenses, including not to exceed \$900
24 for expenses of attendance, when specifically authorized by
25 the Commission, at meetings concerned with the work of

1 the Federal Trade Commission; newspapers not to exceed
2 \$500, foreign postage, and witness fees and mileage in
3 accordance with section 9 of the Federal Trade Commission
4 Act; \$2,011,070: *Provided*, That no part of the funds ap-
5 propriated herein for the Federal Trade Commission shall be
6 expended upon any investigation hereafter provided by
7 concurrent resolution of the Congress until funds are appro-
8 priated subsequently to the enactment of such resolution to
9 finance the cost of such investigation.

10 For all printing and binding for the Federal Trade
11 Commission, \$48,900.

12 FEDERAL WORKS AGENCY

13 OFFICE OF THE ADMINISTRATOR

14 Salaries and expenses: For salaries and expenses in the
15 Office of the Administrator in the District of Columbia, in-
16 cluding the salary of a general counsel at \$10,000 per an-
17 num; printing and binding (not to exceed \$4,000); actual
18 transportation and other expenses and not to exceed \$10
19 per diem in lieu of subsistence to persons serving, while away
20 from their homes without other compensation from the
21 United States, in an advisory capacity to the Administrator;
22 purchase (including exchange) of lawbooks and other books
23 of reference, purchase of newspapers and periodicals (not to
24 exceed \$150); preparation, shipment, and installation of
25 photographic displays, exhibits, and other descriptive ma-

1 terials; travel expenses; not to exceed \$1,500 for expenses
2 of attendance, when specifically authorized by the Adminis-
3 trator, at meetings or conventions relating to the work of the
4 Agency; not to exceed \$4,000 for the temporary employ-
5 ment of persons or organizations by contract or otherwise,
6 for special services determined by the Administrator to be
7 necessary, without regard to section 3709 of the Revised
8 Statutes, and civil service and classification laws, \$331,752:
9 *Provided*, That the Federal Works Administrator may, under
10 such rules and regulations as he shall prescribe, authorize
11 the Commissioner of Public Roads and the Commissioner
12 of Public Buildings to make appointments of personnel for
13 such administrations.

14 PUBLIC BUILDINGS ADMINISTRATION

15 For carrying into effect the provisions of the Public
16 Buildings Acts, as provided in section 6 of the Act of May
17 30, 1908 (31 U. S. C. 683), and for the repair, preserva-
18 tion, and upkeep of all completed public buildings under the
19 control of the Federal Works Agency, the mechanical
20 equipment and the grounds thereof, and sites acquired for
21 buildings, and for the operation of certain completed and
22 occupied buildings under the control of the Federal Works
23 Agency, including furniture and repairs thereof, but ex-
24 clusive, with respect to operation, of buildings of the United
25 States Coast Guard, of hospitals, quarantine stations, and

1 other Public Health Service buildings, mints, bullion depos-
2 itories, and assay offices, and buildings operated by the
3 Treasury and Post Office Departments in the District of
4 Columbia:

5 General administrative expenses: For architectural,
6 engineering, mechanical, administrative, clerical, and other
7 personal services; traveling expenses, printing and binding
8 (not to exceed \$17,000), advertising, testing instru-
9 ments, lawbooks, books of reference, periodicals, and such
10 other contingencies, articles, services, equipment, or sup-
11 plies as the Commissioner of Public Buildings may deem
12 necessary in connection with any of the work of the Public
13 Buildings Administration; ground rent of the Federal build-
14 ings at Salamanca, New York, and Columbus, Mississippi,
15 for which payment may be made in advance; \$1,350,000,
16 of which not to exceed \$750,725 may be expended for
17 personal services in the District of Columbia and not to
18 exceed \$456,275 for personal services in the field: *Provided*,
19 That the foregoing appropriations shall not be available for
20 the cost of surveys, plaster models, progress photographs,
21 test pits and borings, or mill and shop inspections, but the
22 cost thereof shall be construed to be chargeable against the
23 construction appropriations of the respective projects to which
24 they relate.

1 Repair, preservation, and equipment, outside the Dis-
2 trict of Columbia: For repairs, alterations, improvement,
3 and preservation, including personal services employed there-
4 for, of completed Federal buildings, the grounds and ap-
5 proaches thereof, wharves, and piers, together with the
6 necessary dredging adjacent thereto, and care and safe-
7 guarding, not otherwise provided for, of sites acquired for
8 Federal buildings, including tools and materials for the use
9 of the custodial and mechanical force, wire partitions and
10 insect screens, installation and repair of mechanical equip-
11 ment, gas, and electric-light fixtures, conduits, wiring, plat-
12 form scales, and tower clocks; vaults and lockbox equipment
13 in all buildings completed and occupied, and for necessary
14 safe equipments in buildings under the administration of the
15 Federal Works Agency, including repairs thereto, and
16 changes in, maintenance of, and repairs to the pneumatic-
17 tube system in New York City installed under franchise of
18 the city of New York, approved June 29, 1909, and June
19 11, 1928, and the payment of any obligations arising there-
20 under in accordance with the provisions of the Acts approved
21 August 5, 1909 (36 Stat. 120), and May 15, 1928 (45
22 Stat. 533), \$3,000,000: *Provided*, That the total expendi-
23 tures for the fiscal year for the repair and preservation of
24 buildings not reserved by the vendors on sites acquired for
25 buildings or the enlargement of buildings and the installa-

1 tion and repair of the mechanical equipment thereof shall
2 not exceed 20 per centum of the annual rental of such
3 buildings.

4 Salaries and expenses, public buildings and grounds in
5 the District of Columbia and adjacent area: For adminis-
6 tration, protection, maintenance, and improvement of public
7 buildings and grounds in the District of Columbia and the
8 area adjacent thereto, maintained and operated by the
9 Public Buildings Administration, including the National
10 Archives Building; repair, preservation, and equipment of
11 buildings operated by the Treasury and Post Office Depart-
12 ments in the District of Columbia; rent of buildings; demo-
13 lition of buildings; expenses incident to moving various
14 executive departments and establishments in connection with
15 the assignment, allocation, transfer, and survey of building
16 space; traveling expenses and carfare; leather and rubber
17 articles and gas masks for the protection of public property
18 and employees; furnishings and equipment; arms and ammu-
19 nition for the guard force; purchase, repair, and cleaning
20 of uniforms for guards and elevator conductors; and the pur-
21 chase of two motor-propelled passenger-carrying vehicles;
22 \$29,532,400: *Provided*, That where quarters or maintenance
23 or other services are furnished on a reimbursable basis
24 to any governmental activity, such activity shall make pay-
25 ment therefor promptly by check upon the written request

1 of the Commissioner of Public Buildings, either in advance
2 or after the service has been furnished, for deposit to the
3 credit of this appropriation, of all or part of the estimated
4 or actual cost thereof, as the case may be, and proper adjust-
5 ment upon the basis of the actual cost shall be made for
6 services paid for in advance.

7 Salaries and expenses, public buildings and grounds
8 outside the District of Columbia: For operation, protection,
9 and maintenance, including cleaning, heating, lighting, rental of
10 buildings and equipment, supplies, materials, furnishings and
11 equipment, personal services, arms, ammunition, leather and
12 rubber articles, and gas masks for the protection of public prop-
13 erty and employees, purchase, repair, and cleaning of uniforms
14 for guards and elevator conductors, the purchase of one motor-
15 propelled passenger-carrying vehicle, and every expendi-
16 ture requisite for and incidental to such maintenance and
17 operation of public buildings and grounds outside of the
18 District of Columbia maintained and operated by the Public
19 Buildings Administration, \$10,581,000: *Provided*, That all
20 furniture now owned by the United States in other public
21 buildings or in buildings rented by the United States shall
22 be used, so far as practicable, whether or not it corresponds
23 with the present regulation plan for furniture: *Provided*
24 *further*, That this appropriation shall be available for con-
25 tracts for telephone switchboards or equivalent telephone-

1 switching equipment jointly serving in each case two or
2 more governmental activities in buildings operated by the
3 Public Buildings Administration where it is found that joint
4 service is economical and in the interests of the Govern-
5 ment, and any Government activity receiving such service
6 shall pay promptly by check upon the written request of
7 the Commissioner of Public Buildings, either in advance or
8 after the service has been furnished, for deposit to the
9 credit of this appropriation, all or part of the estimated or
10 actual cost thereof, as the case may be, and proper adjust-
11 ment upon the basis of the actual cost shall be made for
12 service paid for in advance.

13 Under the appropriations for salaries and expenses,
14 public buildings and grounds in and outside the District of
15 Columbia, per diem employees may be paid at rates ap-
16 proved by the Commissioner of Public Buildings, not exceed-
17 ing current rates for similar services in the place where such
18 services are employed, and such employees in emergencies
19 may be entered on duty subject to confirmation by the
20 Federal Works Administrator.

21 In the prosecution of construction projects or planning
22 programs assigned to the Public Buildings Administration
23 for which funds are provided by direct appropriation or
24 transferred under authority contained in section 35 of the
25 Act of June 15, 1938 (40 U. S. C. 265), an amount ad-

1 ministratively determined as necessary for the payment of
2 salaries and expenses of personnel engaged upon the prep-
3 aration of plans and specifications, field supervision, and
4 general office expense, may be transferred and consolidated
5 on the books of the Treasury Department into a special
6 account for direct expenditure in the prosecution of said
7 work, such expenditures to be subsequently allocated and
8 reported upon by projects in accordance with procedures
9 prescribed by the General Accounting Office.

10

PUBLIC ROADS ADMINISTRATION

11 General administrative expenses: For the employment of
12 persons and means, including rent, advertising (including
13 advertising in the city of Washington for work to be per-
14 formed in areas adjacent thereto), printing and binding (not
15 to exceed \$27,000), purchase (including exchange) of law-
16 books, books of reference and periodicals, and the prepara-
17 tion, distribution, and display of exhibits, in the city of Wash-
18 ington and elsewhere for the purpose of conducting research
19 and investigational studies, either independently or in co-
20 operation with State highway departments, or other agencies,
21 including studies of highway administration, legislation, fi-
22 nance, economics, transport, construction, operation, main-
23 tenance, utilization, and safety, and of street and highway
24 traffic control; investigations and experiments in the best
25 methods of road making, especially by the use of local mate-

1 rials; and studies of types of mechanical plants and appliances
2 used for road building and maintenance, and of methods of
3 road repair and maintenance suited to the needs of different
4 localities; for maintenance and repairs of experimental high-
5 ways; for furnishing expert advice on these subjects; for
6 collating, reporting, and illustrating the results of same; and
7 for preparing, publishing, and distributing bulletins and re-
8 ports; to be paid from any moneys available from the ad-
9 ministrative funds provided under the Act of July 11, 1916,
10 as amended (23 U. S. C. 21), or as otherwise provided.

11 FEDERAL-AID HIGHWAY SYSTEM

12 For carrying out the provisions of "An Act to provide
13 that the United States shall aid the States in the construction
14 of rural post roads, and for other purposes", as amended
15 (23 U. S. C. 1-117), to be expended in accordance with
16 the provisions of said Act, as amended, including not to
17 exceed \$1,341,850 for departmental personal services in the
18 District of Columbia, \$40,000,000, to be immediately avail-
19 able and to remain available until expended, which sum is
20 composed of \$20,000,000, the remainder of the amount
21 authorized to be appropriated for the fiscal year 1942 by
22 section 1 of the Act approved September 5, 1940 (Public
23 Law 780), and \$20,000,000, a part of the amount author-
24 ized to be appropriated for the fiscal year 1943 by said
25 section 1: *Provided*, That none of the money herein

1 appropriated shall be paid to any State on account of any
2 project on which convict labor shall be employed, except
3 this provision shall not apply to convict labor performed by
4 convicts on parole or probation: *Provided further*, That not
5 to exceed \$55,000 of the funds provided for carrying out
6 the provisions of the Federal Highway Act of November
7 9, 1921 (23 U. S. C. 21, 23), shall be available for the
8 purchase of motor-propelled passenger-carrying vehicles:
9 *Provided further*, That, during the fiscal year 1945, when-
10 ever performing authorized engineering or other services
11 in connection with the survey, construction, and mainte-
12 nance, or improvement of roads for other Government
13 agencies the charge for such services may include deprecia-
14 tion on engineering and road-building equipment used, and
15 the amounts received on account of such charges shall be
16 credited to the appropriation concerned: *Provided further*,
17 That during the fiscal year 1945 the appropriations for
18 the work of the Public Roads Administration shall be
19 available for meeting the expenses of warehouse maintenance
20 and the procurement, care, and handling of supplies, mate-
21 rials, and equipment stored therein for distribution to projects
22 under the supervision of the Public Roads Administration,
23 and for sale and distribution to other Government activities,
24 the cost of such supplies and materials or the value of such
25 equipment (including the cost of transportation and han-

1 dling) to be reimbursed to appropriations current at the
2 time additional supplies, materials, or equipment are pro-
3 cured, from the appropriation chargeable with the cost or
4 value of such supplies, materials, or equipment: *Provided*
5 *further*, That the appropriations available to the Public
6 Roads Administration may be used in emergency for medi-
7 cal supplies and services and other assistance necessary for
8 the immediate relief of employees engaged on hazardous
9 work under that Administration: *Provided further*, That
10 the appropriations for the work of the Public Roads Admin-
11 istration shall be available for necessary expenses (not ex-
12 ceeding \$9,000) of attendance at meetings and conferences
13 of highway departments, associations, organizations, and
14 other agencies concerned, and (not exceeding \$15,000) for
15 the temporary employment, by contract or otherwise, of
16 technical consultants and experts without regard to section
17 3709 of the Revised Statutes, and civil service and classi-
18 fication laws.

19 INTER-AMERICAN HIGHWAY

20 For all necessary expenses to enable the President to
21 utilize the services of the Public Roads Administration in ful-
22 filling the obligations of the United States under the Con-
23 vention on the Pan-American Highway Between the United
24 States and Other American Republics, signed at Buenos

1 Aires, December 23, 1936, and proclaimed September 16,
2 1937 (51 Stat. 152), for the continuation of cooperation with
3 several governments, members of the Pan American Union,
4 in connection with the survey and construction of the Inter-
5 American Highway as provided in public resolution, ap-
6 proved March 4, 1929 (Public Resolution 104), as amended
7 or supplemented, and for performing engineering service in
8 pan-American countries for and upon the request of any
9 agency or governmental corporation of the United States,
10 \$100,000 to be derived from the administrative funds pro-
11 vided under the Act of July 11, 1916, as amended or
12 supplemented (23 U. S. C. 21), or as otherwise provided.

13 For surveys in connection with and the construction of
14 the Inter-American Highway, in accordance with the provi-
15 sions of the Act approved December 26, 1941 (Public
16 Law 375), and necessary expenses incident thereto with-
17 out regard to section 3709, Revised Statutes, including the
18 purchase of motor-propelled passenger-carrying vehicles,
19 \$2,000,000, to be immediately available and to remain
20 available until expended and in addition thereto the Com-
21 missioner of Public Roads is authorized to enter into con-
22 tracts for this purpose in an amount not exceeding
23 \$6,000,000.

24 FEDERAL-AID SECONDARY OR FEEDER ROADS

25 For secondary or feeder roads, including farm-to-mar-

1 ket roads, rural free delivery mail roads, and public-school
2 bus routes, \$3,000,000, to be immediately available and to
3 remain available until expended, which sum is a part of the
4 amount authorized to be appropriated for the fiscal year
5 1942, by section 2 of the Act approved September 5, 1940
6 (Public Law 780).

7 STRATEGIC HIGHWAY NETWORK

8 For carrying out projects to correct critical deficiencies
9 in lines of the strategic network of highways and bridges,
10 in accordance with the provisions of section 4 of the Defense
11 Highway Act of 1941 (23 U. S. C. 104), \$20,000,000, to
12 be immediately available and to remain available during the
13 continuance of the emergency declared by the President
14 on May 27, 1941.

15 ACCESS ROADS

16 For the construction, maintenance, and improvement
17 of access roads and for replacing existing highways and high-
18 way connections as described in, and in accordance with the
19 provisions of, sections 6 and 9 of the Defense Highway Act
20 of 1941, as amended by the Act approved July 2, 1942
21 (23 U. S. C. 106) \$40,000,000, to be immediately avail-
22 able and to remain available during the continuance of the
23 emergency declared by the President on May 27, 1941.

24 SURVEYS AND PLANS

25 For advance engineering surveys and plans for future

1 development of the strategic network of highways and
2 bypasses around and extension into and through municipali-
3 ties and metropolitan areas, in accordance with the provisions
4 of section 9 of the Defense Highway Act of 1941 (23
5 U. S. C. 109) \$5,000,000, to be immediately available and
6 to remain available during the continuance of the emergency
7 declared by the President on May 27, 1941.

8 Any of the foregoing appropriations for general or ad-
9 ministrative expenses under the Federal Works Agency shall
10 be available for the maintenance, repair, and operation of
11 motor-propelled passenger-carrying vehicles in the District
12 of Columbia and in the field.

13 FOREIGN-SERVICE PAY ADJUSTMENT

14 Foreign-service pay adjustment, appreciation of foreign
15 currencies: For carrying into effect the provisions of the Act
16 entitled "An Act to authorize annual appropriations to meet
17 losses sustained by officers and employees of the United
18 States in foreign countries due to appreciation of foreign
19 currencies in their relation to the American dollar, and for
20 other purposes", approved March 26, 1934 (5 U. S. C.
21 118c), and for each and every object and purpose specified
22 therein, \$722,390.

23 GENERAL ACCOUNTING OFFICE

24 Salaries: For personal services in the District of Co-
25 lumbia and elsewhere, \$37,000,000.

1 Miscellaneous expenses: For all expenses necessary for
2 the work of the General Accounting Office, including travel
3 expenses; procurement and exchange of lawbooks and books
4 of reference, and not to exceed \$100 for periodicals; the pur-
5 chase of one motor-propelled passenger-carrying vehicle; and
6 maintenance, repair, and operation of motor-propelled pas-
7 senger-carrying vehicles, \$1,200,000.

8 For all printing and binding for the General Accounting
9 Office, including monthly and annual editions of selected
10 decisions of the Comptroller General of the United States,
11 \$200,000.

12 INTERSTATE COMMERCE COMMISSION

13 SALARIES AND EXPENSES

14 General administrative expenses: For salaries and ex-
15 penses necessary in the execution of laws to regulate com-
16 merce, including one chief counsel, one director of finance,
17 and one director of traffic, at \$10,000 each per annum, field
18 hearings, traveling expenses, and contract stenographic re-
19 porting services \$3,119,000, of which amount not to
20 exceed \$2,797,000 may be expended for personal serv-
21 ices in the District of Columbia, exclusive of special coun-
22 sel, for which the expenditure shall not exceed \$50,000; not
23 exceeding \$5,000 for purchase and exchange of necessary
24 books, reports, newspapers, and periodicals.

25 Regulating accounts: To enable the Interstate Com-

1 merce Commission to enforce compliance with section 20
2 and other sections of the Interstate Commerce Act as
3 amended by the Act approved June 29, 1906, the Trans-
4 portation Act, 1920 (49 U. S. C. 20), and the Transporta-
5 tion Act of 1940, including the employment of necessary
6 special accounting agents or examiners, and traveling
7 expenses, \$473,000, of which amount not to exceed \$130,000
8 may be expended for personal services in the District of
9 Columbia.

10 Safety of employees: To enable the Interstate Commerce
11 Commission to keep informed regarding and to enforce com-
12 pliance with Acts to promote the safety of employees and
13 travelers upon railroads; the Act requiring common car-
14 riers to make reports of accidents and authorizing investi-
15 gations thereof; and to enable the Interstate Commerce
16 Commission to investigate and test appliances intended to
17 promote the safety of railway operation, as authorized by
18 the Joint Resolution approved June 30, 1906 (45 U. S. C.
19 35), and the provision of the Sundry Civil Act approved
20 May 27, 1908 (45 U. S. C. 36, 37), to investigate, test
21 experimentally, and report on the use and need of any
22 appliances or systems intended to promote the safety of
23 railway operation, inspectors, and for traveling expenses,
24 \$604,000, of which amount not to exceed \$102,000 may

1 be expended for personal services in the District of
2 Columbia.

3 Signal safety systems: For all authorized expenditures
4 under section 25 of the Interstate Commerce Act, as amended
5 by the Transportation Act, 1920, the Act of August 26, 1937
6 (49 U. S. C. 26), and the Transportation Act of 1940, with
7 respect to the provision thereof under which carriers by rail-
8 road subject to the Act may be required to install automatic
9 train-stop or train-control devices which comply with speci-
10 fications and requirements prescribed by the Commission,
11 including investigations and tests pertaining to block-signal
12 and train-control systems, as authorized by the Joint Resolu-
13 tion approved June 30, 1906 (45 U. S. C. 35), and includ-
14 ing the employment of the necessary engineers, and for
15 traveling expenses, \$182,000, of which amount not to ex-
16 ceed \$38,000 may be expended for personal services in the
17 District of Columbia.

18 Locomotive inspection: For all authorized expenditures
19 under the provisions of the Act of February 17, 1911, en-
20 titled "An Act to promote the safety of employees and
21 travelers upon railroads by compelling common carriers en-
22 gaged in interstate commerce to equip their locomotives with
23 safe and suitable boilers and appurtenances thereto" (45
24 U. S. C. 22), as amended by the Act of March 4, 1915,

1 extending "the same powers and duties with respect to all
2 parts and appurtenances of the locomotive and tender" (45
3 U. S. C. 30), and amendment of June 7, 1924 (45 U. S.
4 C. 27), providing for the appointment from time to time by
5 the Interstate Commerce Commission of not more than fifteen
6 inspectors in addition to the number authorized in the first
7 paragraph of section 4 of the Act of 1911 (45 U. S. C. 26),
8 and the amendment of June 27, 1930 (45 U. S. C. 24, 26),
9 including such legal, technical, stenographic, and clerical help
10 as the business of the offices of the director of locomotive in-
11 spection and his two assistants may require and for traveling
12 expenses, \$548,000, of which amount not to exceed \$81,000
13 may be expended for personal services in the District of
14 Columbia.

15 Valuation of property of carriers: To enable the Inter-
16 state Commerce Commission to carry out the objects of the
17 Act entitled "An Act to amend an Act entitled 'An Act to
18 regulate commerce', approved February 4, 1887, and all
19 Acts amendatory thereof, by providing for a valuation of the
20 several classes of property of carriers subject thereto and se-
21 curing information concerning their stocks, bonds, and other
22 securities", approved March 1, 1913, as amended by the
23 Act of June 7, 1922 (49 U. S. C. 19a), and by the "Emer-
24 gency Railroad Transportation Act, 1933" (49 U. S. C.
25 19a), including traveling expenses, \$500,000.

1 Motor transport regulation: For all authorized expendi-
2 tures necessary to enable the Interstate Commerce Com-
3 mission to carry out the provisions of part II of the Interstate
4 Commerce Act and section 5, part I, of the Interstate
5 Commerce Act insofar as applicable to common carriers
6 subject to part II (Transportation Act of 1940), including
7 one director at \$10,000 per annum and other personal serv-
8 ices in the District of Columbia and elsewhere; traveling
9 expenses; supplies; services and equipment; not to exceed
10 \$1,000 for purchase and exchange of books, reports, news-
11 papers, and periodicals; contract stenographic reporting
12 services; purchase (not to exceed seven), maintenance,
13 repair, and operation of motor-propelled passenger-carry-
14 ing vehicles; not to exceed \$5,000 for the purchase of
15 evidence in connection with investigations of apparent
16 violations of said Act, \$3,260,000: *Provided*, That Joint
17 Board members may use Government transportation requests
18 when traveling in connection with their duties as Joint
19 Board members.

20 Not to exceed \$2,500 of the appropriations herein made
21 for the Interstate Commerce Commission shall be available
22 for expenses, except membership fees, for attendance at
23 meetings concerned with the work of the Commission.

24 For all printing and binding for the Interstate Commerce

1 Commission, including not to exceed \$17,000 to print and
2 furnish to the States, at cost, blank annual report forms of
3 common carriers, and the receipts from such sales shall be
4 credited to this appropriation, \$157,700.

5 Salaries and expenses, emergency: For necessary
6 expenses, including traveling expenses, to enable the Inter-
7 state Commerce Commission, for the purpose of promoting
8 the national security and defense, to adopt measures for
9 preventing shortages of railroad equipment and congestion
10 of traffic, and expediting the movement of cars by railroads
11 through terminals, and related activities, \$338,000.

12 NATIONAL ADVISORY COMMITTEE FOR
13 AERONAUTICS

14 For necessary salaries and expenses of the National Ad-
15 visory Committee for Aeronautics, including contracts for
16 personal services in the making of special investigations and
17 reports; traveling expenses of members and employees, in-
18 cluding not to exceed \$2,500 for attendance upon meetings
19 of technical and professional societies; periodicals and books
20 of reference; equipment, maintenance, and operation of the
21 Langley Memorial Aeronautical Laboratory, the Ames Aero-
22 nautical Laboratory, and the aircraft engine research labor-
23 atory at Cleveland, Ohio; purchase and maintenance of
24 cafeteria equipment; purchase, maintenance, and operation
25 of motor-propelled passenger-carrying vehicles; not to ex-

1 ceed \$383,400 for personal services in the District of Co-
2 lumbia, including one Director of Aeronautical Research at
3 not to exceed \$10,000 per annum; and not to exceed \$2,500
4 for temporary employment of consultants, at not to exceed
5 \$50 per diem, by contract or otherwise, without regard to the
6 civil-service and classification laws; in all, \$23,220,130.

7 For all printing and binding for the National Advisory
8 Committee for Aeronautics, including all of its offices, labo-
9 ratories, and services located in Washington, District of
10 Columbia, and elsewhere, \$15,000.

11 NATIONAL ARCHIVES

12 Salaries and expenses: For salaries and expenses of
13 the Archivist and The National Archives; including personal
14 services in the District of Columbia; scientific, technical,
15 first-aid, protective, and other apparatus and materials for
16 the arrangement, titling, scoring, repair, processing, editing,
17 duplication, reproduction, and authentication of photographic
18 and other records (including motion-picture and other films
19 and sound recordings) in the custody of the Archivist; pur-
20 chase and exchange of books, including lawbooks, books
21 of reference, maps, and charts; contract stenographic report-
22 ing services; purchase of newspapers and periodicals; not
23 to exceed \$100 for payment in advance when authorized
24 by the Archivist for library membership in societies whose
25 publications are available to members only or to members

1 at a price lower than to the general public; travel expenses;
2 exchange of scientific and technical apparatus; and mainte-
3 nance, operation, and repair of one passenger-carrying
4 motor vehicle, \$1,042,340.

5 Printing and binding: For all printing and binding,
6 \$7,000.

7 NATIONAL CAPITAL HOUSING AUTHORITY

8 For the maintenance and operation of properties under
9 title I of the District of Columbia Alley Dwelling Authority
10 Act, \$16,000: *Provided*, That all receipts derived from sales,
11 leases, or other sources shall be covered into the Treasury
12 of the United States monthly.

13 NATIONAL HOUSING AGENCY

14 OFFICE OF THE ADMINISTRATOR

15 Salaries and expenses: In addition to the amounts other-
16 wise available (which amounts shall be transferred to this
17 authorization for expenditure hereunder) for the adminis-
18 trative expenses of the Office of the Administrator, National
19 Housing Agency, in carrying out the provisions of the Act
20 of October 14, 1940, as amended (42 U. S. C. 1521),
21 such amounts, not exceeding \$500,000, as the Adminis-
22 trator determines are required for the expenses of the
23 Office of the Administrator, National Housing Agency,
24 in the performance of administrative and supervisory services
25 relating to the constituent units of said Agency shall be

1 transferred, from the funds available for the administrative
2 expenses of such constituent units for the fiscal year
3 1945, to this authorization for expenditure hereunder and
4 shall be available until June 30, 1945, for all necessary
5 expenses of said Office of the Administrator, including per-
6 sonal services and rent in the District of Columbia; print-
7 ing and binding; purchase and exchange of lawbooks, books
8 of reference; periodicals and newspapers (not to exceed
9 \$500) ; preparation, mounting, shipping, and installation
10 of exhibits (not to exceed \$500) ; maintenance, repair, and
11 operation of motor-propelled passenger-carrying vehicles;
12 not to exceed \$5,000 for temporary employment of persons
13 or organizations, by contract or otherwise, for legal or other
14 special services without regard to section 3709 of the
15 Revised Statutes and the civil service and classification
16 laws; payment, when specifically authorized by the Ad-
17 ministrator, of (1) actual transportation and other neces-
18 sary expenses and not to exceed \$10 per diem in lieu
19 of subsistence to persons serving, while away from their
20 homes, without other compensation from the United States,
21 in an advisory capacity to the Agency and (2) not to
22 exceed \$1,500 for expenses of attendance at meetings of
23 organizations concerned with the work of the Agency when
24 specifically authorized by the Administrator; reimbursement
25 for the actual cost of ferry fares and bridge, road, and tunnel

1 tolls, and an allowance not to exceed 3 cents per mile for
2 all travel performed in privately owned automobiles by
3 employees engaged in the inspection of property within
4 the limits of their official posts of duty when such travel
5 is performed in connection with such inspection: *Provided*,
6 That notwithstanding the consolidation effected by Executive
7 Order 9070, section 7 of the First Deficiency Appropriation
8 Act, 1936, shall continue to apply to administrative expenses
9 of and for the constituent units of the National Housing
10 Agency mentioned in said section 7 and shall also apply to
11 such expenses of said National Housing Agency in connec-
12 tion with the functions and purposes of said constituent units,
13 and none of the funds made available by this Act for such
14 administrative expenses shall be obligated or expended unless
15 and until an appropriate appropriation account shall have
16 been established therefor pursuant to an appropriation war-
17 rant or a covering warrant, and all such expenditures shall
18 be accounted for and audited in accordance with the Budget
19 and Accounting Act, as amended: *Provided further*, That
20 the Administrator may, with the approval of the President
21 of the United States, transfer to this authorization or to an
22 authorization of a constituent unit from funds available for
23 administrative expenses of the constituent units or the Office
24 of the Administrator of the National Housing Agency such
25 additional sums as represent a consolidation in the Office of

1 the Administrator or in a constituent unit of any of the
2 administrative functions of the National Housing Agency;
3 but no such transfer of funds shall be made unless the con-
4 solidation will result in a reduction in manpower and a
5 savings in administrative expenses, which savings shall not
6 be used for administrative expenses but instead shall be
7 returned to or remain in the funds from which administrative
8 expenses are drawn under this authorization: *Provided fur-*
9 *ther*, That a report of such transfers and the savings effected
10 thereby shall be submitted to Congress in the annual budget.

11 FEDERAL HOME LOAN BANK ADMINISTRATION

12 Salaries and expenses: Not to exceed a total of
13 \$11,353,825, to be derived from the same sources as the
14 funds made available for administrative expenses of the
15 Federal Home Loan Bank Administration, including the
16 Federal Savings and Loan Insurance Corporation and the
17 Home Owners' Loan Corporation, by the Independent Offices
18 Appropriation Act, 1944, shall be available during the fiscal
19 year 1945 for administrative expenses of the Federal Home
20 Loan Bank Administration (Executive Order Numbered
21 9070 of February 24, 1942), which term and the term
22 Administration, wherever used herein, shall unless otherwise
23 qualified include and apply to said corporations but shall be
24 exclusive of any corporation organized in pursuance of
25 authority contained in the Act of May 16, 1918 (40 Stat.

550), and any amendments thereof, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); expenses (not to exceed \$7,500) of attendance at meetings concerned with the work of said Administration when specifically authorized by the Administration; printing and binding; lawbooks, books of reference, and not to exceed \$1,250 for periodicals and newspapers; rent in the District of Columbia; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; payment, when specifically authorized by the Administration, of actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Administration; use of the services and facilities of the Federal home-loan banks, Federal Reserve banks, and agencies of the Government, including the use of services and facilities within the Administration; the amounts so derived to be credited upon the books of the Treasurer of the United States in such account or accounts as the Administration may determine, and the Administration in its discretion may utilize the facilities of the Division of Disbursement of the Treasury Department for the disbursement of funds

1 in or derived from such account or accounts relating to
2 said corporations: *Provided*, That (1) all necessary ex-
3 penses in connection with the liquidation of insured in-
4 stitutions, (2) all necessary expenses (including services
5 performed on a force account, contract or fee basis, but
6 not including other personal services) in connection with
7 the acquisition, protection, operation, maintenance, improve-
8 ment, or disposition of real or personal property belonging
9 to the Home Owners' Loan Corporation or in which it has
10 an interest, and (3) all necessary expenses (including serv-
11 ices performed on a contract or fee basis, but not including
12 other personal services) in connection with the handling,
13 including the purchase, sale, and exchange, of securities on
14 behalf of Federal home-loan banks, and the sale, issuance,
15 and retirement of, or payment of interest on, debentures or
16 bonds, under the Federal Home Loan Bank Act, as amended,
17 shall be considered as nonadministrative expenses for the
18 purposes hereof: *Provided further*, That except as herein
19 otherwise provided, the administrative expenses and other
20 obligations of the Administration shall be incurred, allowed,
21 and paid in accordance with the provisions of the Federal
22 Home Loan Bank Act of July 22, 1932, as amended (12
23 U. S. C. 1421-1449), the Home Owners' Loan Act of 1933,
24 as amended (12 U. S. C. 1461-1468), and title IV of the

1 National Housing Act of June 27, 1934, as amended (12
2 U. S. C. 1724-1730).

3 FEDERAL HOUSING ADMINISTRATION

4 Salaries and expenses: Not to exceed \$10,484,635 of
5 the various funds of the Federal Housing Administration as
6 follows, (1) the mutual mortgage insurance fund, (2) the
7 housing insurance fund, (3) the account in the Treasury
8 comprised of funds derived from premiums collected under
9 authority of section 2 (f), title I of the National Hous-
10 ing Act, as amended (12 U. S. C. 1701), and (4) the
11 war housing insurance fund shall be available for expendi-
12 ture, in accordance with the provisions of said Act for the
13 administrative expenses of the Federal Housing Admin-
14 istration, including: Personal services in the District of
15 Columbia; travel expenses, in accordance with the Stand-
16 ardized Government Travel Regulations and the Act of
17 June 3, 1926, as amended (5 U. S. C. 821-833), but there
18 may be allowed, in addition to mileage at a rate not to
19 exceed 4 cents per mile for travel by motor vehicle, reim-
20 bursement for the actual cost of ferry fares and bridge,
21 road, and tunnel tolls, and employees engaged in the in-
22 spection of property may be paid an allowance not to
23 exceed 4 cents per mile for all travel performed in pri-
24 vately owned automobiles within the limits of their official
25 posts of duty when such travel is performed in connection

1 with such inspection; printing and binding; lawbooks, books
2 of reference, and not to exceed \$1,500 for periodicals and
3 newspapers; not to exceed \$1,500 for contract actuarial
4 services; maintenance, repair, and operation of two motor-
5 propelled passenger-carrying vehicles; payment, when spe-
6 cifically authorized by the Commissioner, of actual transporta-
7 tion and other necessary expenses and not to exceed \$10 per
8 diem in lieu of subsistence to persons serving, while away
9 from their homes, without other compensation from the
10 United States, in an advisory capacity to the Administration;
11 not to exceed \$2,000 for expenses of attendance, when spe-
12 cifically authorized by the Commissioner, at meetings con-
13 cerned with the work of the Administration; and rent in the
14 District of Columbia: *Provided*, That all necessary expenses
15 of the Administration (including services performed on a con-
16 tract or fee basis, but not including other personal services) in
17 connection with the acquisition, protection, completion,
18 operation, maintenance, improvement, or disposition of real
19 or personal property of the Administration acquired under
20 authority of titles I, II, and VI of said National Housing
21 Act, shall be considered as nonadministrative expenses for
22 the purposes hereof: *Provided further*, That, except as herein
23 otherwise provided, the administrative expenses and other
24 obligations, including nonadministrative expenses, of the
25 Administration shall be incurred, allowed, and paid in ac-

1 cordance with the provisions of said Act of June 27, 1934,
2 as amended (12 U. S. C. 1701).

3 Payment of losses: Not to exceed \$5,000,000 of the
4 funds (after allowance for salaries and expenses as author-
5 ized under the heading, Salaries and expenses, Federal Hous-
6 ing Administration) in the account in the Treasury com-
7 prised of premiums collected under authority of section 2
8 (f), title I, of said Act, shall be available for the payment
9 of losses under insurance granted under section 2 and sec-
10 tion 6, title I, of said Act.

11 FEDERAL PUBLIC HOUSING AUTHORITY

12 Salaries and expenses: In addition to the amounts avail-
13 able (which shall be transferred to this authorization) for
14 the payment of the administrative expenses of the Federal
15 Public Housing Authority in carrying out the provisions of
16 section 201 of the Act of September 9, 1940 (54 Stat. 872),
17 the Act of October 14, 1940, as amended (42 U. S. C.
18 1521), and the Act of March 1, 1941 (55 Stat. 14), as
19 amended and supplemented, relating to war housing, includ-
20 ing temporary shelter, and in carrying out the provisions
21 of sections 3 of the Acts of June 29, 1936 (40 U. S. C.
22 423 and 433), relating, respectively, to the operation and
23 maintenance of the projects transferred pursuant to Execu-
24 tive Order Numbered 7732 of October 27, 1937, and of the
25 projects transferred pursuant to paragraphs 1 (g) and 6 of

1 Executive Order Numbered 9070 of February 24, 1942,
2 not to exceed \$2,782,440 of the funds of said Authority
3 derived from its operations under the Act of September 1,
4 1937, as amended (42 U. S. C. 1401), shall be available
5 for all necessary administrative expenses of said Authority,
6 including personal services and rent in the District of Co-
7 lumbia; purchase (not to exceed ten), maintenance, repair,
8 and operation of motor-propelled passenger-carrying ve-
9 hicles; temporary employment of persons or organizations,
10 by contract or otherwise, for legal or other special services,
11 without regard to section 3709 of the Revised Statutes
12 and the civil-service and classification laws; payment,
13 when specifically authorized by the Commissioner, of (1)
14 the actual transportation and other necessary expenses and
15 not to exceed \$5,000 in connection with payment of \$10
16 per diem in lieu of subsistence to persons serving, while
17 away from their homes and without other compensation
18 from the United States, in an advisory capacity to the
19 Authority and (2) expenses of attendance (not to exceed
20 \$5,000) at meetings or conventions concerned with the work
21 of the Authority; printing and binding; purchase of law-
22 books, books of reference, and periodicals; and photograph-
23 ing equipment.

24 Annual contributions: For the payment of annual contri-
25 butions to public housing agencies in accordance with section

1 10 of the United States Housing Act of 1937, as amended
2 (42 U. S. C. 1410), \$9,500,000, together with the unex-
3 pended balance of the appropriation for this purpose for the
4 fiscal year 1944: *Provided*, That except for payments re-
5 quired on contracts entered into prior to April 18, 1940,
6 no part of this appropriation shall be available for payment
7 to any public-housing agency for expenditure in connection
8 with any low-rent housing project, unless the public-housing
9 agency shall have adopted regulations prohibiting as a tenant
10 of any such project by rental or occupancy any person other
11 than a citizen of the United States.

12 SECURITIES AND EXCHANGE COMMISSION

13 For salaries and expenses, including personal services
14 in the District of Columbia, of the Securities and Exchange
15 Commission in performing the duties imposed by law or in
16 pursuance of law, including employment of experts when
17 necessary; contract stenographic reporting services; purchase
18 and exchange of lawbooks, books of reference, directories,
19 and periodicals; not to exceed \$1,000 for the purchase of
20 newspapers; travel expenses, including the expense of at-
21 tendance, when specifically authorized by the Commission,
22 at meetings concerned with the work of the Securities and
23 Exchange Commission; garage rental; foreign postage; mile-
24 age and witness fees; rental of equipment; operation, main-

1 tenance, and repair of one motor-propelled passenger-carrying
2 vehicle; and purchase of rubber gloves; \$4,651,704.

3 For all printing and binding for the Securities and Ex-
4 change Commission, \$45,000.

5 SMITHSONIAN INSTITUTION

6 Salaries and expenses: For all salaries and expenses
7 necessary for continuing preservation, exhibition, and in-
8 crease of collections from the surveying and exploring expe-
9 ditions of the Government and from other sources; for the
10 system of international exchanges between the United States
11 and foreign countries; for continuing ethnological researches
12 among the American Indians and the natives of Hawaii and
13 the excavation and preservation of archeological remains;
14 for maintenance of the Astrophysical Observatory, including
15 assistants, and making necessary observations in high alti-
16 tudes; and for the administration of the National Collection
17 of Fine Arts; including personal services in the District of
18 Columbia; traveling expenses, including not exceeding
19 \$2,500 for expenses of attendance at meetings concerned
20 with the work of the Institution when specifically author-
21 ized by the Secretary of the Smithsonian Institution; print-
22 ing and binding, not exceeding \$88,500, of which not to
23 exceed \$12,000 shall be available for printing the report
24 of the American Historical Association; purchase, repair, and

1 cleaning of uniforms for guards and elevator conductors;
2 repairs and alterations of buildings and approaches; not
3 exceeding \$5,500 for preparation of manuscripts, drawings,
4 and illustrations for publications; and not exceeding \$6,500
5 for purchase of books, pamphlets, and periodicals,
6 \$1,224,090.

7 Salaries and expenses, National Gallery of Art: For the
8 upkeep and operation of the National Gallery of Art, the
9 protection and care of the works of art therein, and all ad-
10 ministrative expenses incident thereto, as authorized by the
11 Act of March 24, 1937 (50 Stat. 51), as amended by the
12 Public Resolution of April 13, 1939 (Public Resolution
13 Numbered 9, Seventy-sixth Congress), including personal
14 services in the District of Columbia (except as otherwise
15 provided in sec. 4 (c) of such Act); traveling expenses,
16 including not exceeding \$1,000 for expenses of attendance
17 at meetings concerned with the work of the National Gal-
18 lery of Art when specifically authorized by the treasurer of
19 the gallery; periodicals, newspapers, lawbooks (not to exceed
20 \$150), and books of reference; not to exceed \$250 for pay-
21 ment in advance when authorized by the treasurer of the
22 gallery for membership in library, museum, and art asso-
23 ciations or societies whose publications or services are avail-
24 able to members only, or to members at a price lower than
25 to the general public; purchase, repair, and cleaning of

1 uniforms for guards and elevator operators; leather and
2 rubber articles and gas masks for the protection of public
3 property and employees; not to exceed \$5,000 for printing
4 and binding; maintenance, repair, and operation of one
5 passenger-carrying automobile; purchase or rental of devices
6 and services for protecting buildings and contents thereof;
7 and maintenance and repair of buildings, approaches, and
8 grounds, \$634,000: *Provided*, That section 3709 of the
9 Revised Statutes, or the Classification Act of 1923, as
10 amended, shall not apply to the restoration and repair of
11 works of art for the National Gallery of Art, the cost of
12 which shall not exceed \$15,000.

13 TARIFF COMMISSION

14 For salaries and expenses of the Tariff Commission, in-
15 cluding personal services in the District of Columbia and
16 elsewhere, traveling expenses not to exceed \$16,200,
17 purchase and exchange of lawbooks, books of reference,
18 gloves and other protective equipment for photostat and
19 other machine operators, subscriptions to newspapers and
20 periodicals not to exceed \$2,250, and contract stenographic
21 reporting services, as authorized by sections 330 to 341 of
22 the Tariff Act of 1930 (19 U. S. C. 1330-1341), \$930,000,
23 of which amount not to exceed \$2,500 may be expended
24 for attendance at meetings concerned with subjects under
25 investigation by the Commission: *Provided*, That no part

1 of this appropriation shall be used to pay the salary of any
2 member of the Tariff Commission who shall hereafter par-
3 ticipate in any proceedings under sections 336, 337, and 338
4 of the Tariff Act of 1930, wherein he or any member of his
5 family has any special, direct, and pecuniary interest, or in
6 which he has acted as attorney or special representative.

7 For all printing and binding for the Tariff Commission,
8 \$10,000.

9 TENNESSEE VALLEY AUTHORITY

10 For the purpose of carrying out the provisions "The
11 Tennessee Valley Authority Act of 1933", as amended (16
12 U. S. C., ch. 12A), including the continued construction of
13 Kentucky Dam at Gilbertsville, Kentucky; Watts Bar steam
14 plant; Fort Loudoun Dam (including an extension to bring
15 the waters of the Little Tennessee River within the pool of this
16 project) ; Fontana Dam; South Holston Dam; Watauga Dam;
17 an additional unit at the Sheffield steam plant; and a fertilizer
18 and elemental phosphorus manufacturing plant at or near
19 Mobile, Alabama; and the acquisition of necessary land, the
20 clearing of such land, relocation of highways, and the con-
21 struction or purchase of transmission lines and other facilities,
22 and all other necessary works authorized by such Act,
23 and for printing and binding, lawbooks, books of reference,
24 newspapers, periodicals, purchase, maintenance, and oper-
25 ation of passenger-carrying vehicles, rents in the District of

1 Columbia and elsewhere, and all necessary salaries and ex-
2 penses connected with the organization, operation, and in-
3 vestigations of the Tennessee Valley Authority, and for
4 examination of estimates of appropriations and activities in
5 the field, the unexpended balance on June 30, 1944, in the
6 "Tennessee Valley Authority fund, 1944", and the receipts
7 of the Tennessee Valley Authority from all sources during
8 the fiscal year 1945 (subject to the provisions of section 26
9 of the Tennessee Valley Authority Act of 1933, as amended),
10 shall be covered into and accounted for as one fund to be
11 known as the "Tennessee Valley Authority fund 1945", to
12 remain available until June 30, 1945, and to be available for
13 the payment of obligations chargeable against the "Ten-
14 nessee Valley Authority fund, 1944": *Provided*, That
15 purchases may be made by the Authority during the fiscal
16 year 1945 without regard to the provisions of section
17 3709 of the Revised Statutes and section 9 (b) of the
18 Tennessee Valley Authority Act, as amended, when in the
19 judgment of the Board of Directors of the Authority such a
20 procedure will expedite the completion of projects deter-
21 mined by the President to be essential for defense purposes.

22 THE TAX COURT OF THE UNITED STATES

23 For necessary expenses of The Tax Court of the United
24 States as authorized by chapter 5 of the Internal Revenue
25 Code, and sections 504 and 510 of the Revenue Act of 1942,

1 including personal services and contract stenographic re-
2 porting services, traveling expenses, carfare, stationery,
3 purchase and exchange of lawbooks and books of reference,
4 and periodicals, \$555,000.

5 For all printing and binding for The Tax Court of the
6 United States, \$32,000.

7 UNITED STATES MARITIME COMMISSION

8 To increase the construction fund established by the
9 Merchant Marine Act, 1936. \$6,766,000,000: *Provided*, That
10 the amount of contract authorizations contained in prior Acts
11 for ship construction and facilities incident thereto is hereby
12 increased by \$5,700,000,000 (toward which \$4,655,390,499
13 is included in the amount appropriated herein): *Provided*
14 *further*, That during the fiscal year 1945 not to exceed \$30,-
15 000,000 shall be available for administrative expenses of the
16 United States Maritime Commission, including personal serv-
17 ices at the seat of government; expenses of attendance (not
18 to exceed \$3,800), when specifically authorized by the
19 Chairman of the Commission, at meetings concerned with
20 the work of the Commission; printing and binding; law-
21 books and books of reference; periodicals and newspapers
22 (not to exceed \$6,500); teletype services; purchase (not to
23 exceed \$16,275), maintenance, repair, and operation of
24 passenger-carrying automobiles; compensation as authorized
25 by the Act of August 4, 1939, for officers of the Army, Navy,

1 Marine Corps, or Coast Guard, detailed to the Commission;
2 and not to exceed \$469,500 for the employment by contract
3 or otherwise of persons, firms, or corporations for the per-
4 formance of legal and other special services, without regard
5 to section 3709 of the Revised Statutes or the civil-service
6 and classification laws: *Provided further*, That the amount
7 which may be expended for administrative expenses in the
8 fiscal year 1944 is hereby increased from \$23,000,000 to
9 \$29,130,000.

10 VETERANS' ADMINISTRATION

11 Administration, medical, hospital, and domiciliary ser-
12 vices: For all salaries and expenses of the Veterans' Ad-
13 ministration, including the expenses of maintenance and
14 operation of medical, hospital, and domiciliary services of
15 the Veterans' Administration, in carrying out the duties,
16 powers, and functions devolving upon it pursuant to the
17 authority contained in the Act entitled "An Act to author-
18 ize the President to consolidate and coordinate governmen-
19 tal activities affecting war veterans", approved July 3, 1930
20 (38 U. S. C. 11-11f), and any and all laws for which the
21 Veterans' Administration is now or may hereafter be charged
22 with administering, \$164,000,000: *Provided*, That not to ex-
23 ceed \$3,500 of this amount shall be available for expenses,
24 except membership fees, of employees. detailed by the Ad-
25 ministrator of Veterans' Affairs to attend meetings of asso-

1 ciations for the promotion of medical science or for the bet-
2 terment of insurance practices and conventions of organized
3 war veterans: *Provided further*, That this appropriation
4 shall be available also for personal services in the District of
5 Columbia and elsewhere, including traveling expenses;
6 examination of estimates of appropriations in the field, in-
7 cluding actual expenses of subsistence or per diem allowance
8 in lieu thereof; furnishing and laundering of such wearing
9 apparel as may be prescribed for employees in the perform-
10 ance of their official duties; purchase and exchange of law-
11 books, books of reference, periodicals, and newspapers; for
12 passenger-carrying and other motor vehicles, including pur-
13 chase, maintenance, repair, and operation of same, including
14 not more than two passenger automobiles for general admin-
15 istrative use of the central office in the District of Columbia;
16 and notwithstanding any provisions of law to the contrary,
17 the Administrator is authorized to utilize Government-owned
18 automotive equipment in transporting children of Veterans'
19 Administration employees located at isolated stations to
20 and from school under such limitations as he may by
21 regulation prescribe; and notwithstanding any provisions
22 of law to the contrary, the Administrator is authorized
23 to expend not to exceed \$5,000 of this appropriation for actu-
24 arial services pertaining to the Government life-insurance fund
25 and the National Service Life Insurance Fund, to be obtained

1 by contract, without obtaining competition, at such rates of
2 compensation as he may determine to be reasonable; for allot-
3 ment and transfer to the Federal Security Agency (Public
4 Health Service), the War, Navy, and Interior Depart-
5 ments, for disbursement by them under the various
6 headings of their applicable appropriations, of such amounts
7 as are necessary for the care and treatment of beneficiaries
8 of the Veterans' Administration, including minor repairs
9 and improvements of existing facilities under their juris-
10 diction necessary to such care and treatment; for expenses
11 incidental to the maintenance and operation of farms; for
12 recreational articles and facilities at institutions maintained
13 by the Veterans' Administration; for administrative expenses
14 incidental to securing employment for war veterans; for
15 funeral, burial, and other expenses incidental thereto for
16 beneficiaries of the Veterans' Administration accruing during
17 the year for which this appropriation is made or prior fiscal
18 years: *Provided further*, That the appropriations herein
19 made for the care and maintenance of veterans in hospitals
20 or homes under the jurisdiction of the Veterans' Adminis-
21 tration shall be available for the purchase of tobacco to be
22 furnished, subject to such regulations as the Administrator
23 of Veterans' Affairs shall prescribe, to veterans receiving
24 hospital treatment or domiciliary care in Veterans' Admin-
25 istration hospitals or homes: *Provided further*, That this

1 appropriation shall be available for continuing aid to State
2 or Territorial homes for the support of disabled volunteer
3 soldiers and sailors, in conformity with the Act approved
4 August 27, 1888, (24 U. S. C. 134), as amended, for
5 those veterans eligible for admission to Veterans' Adminis-
6 tration facilities for hospital or domiciliary care: *Provided*
7 *further*, That the Administrator is hereby authorized to
8 employ medical consultants for duty on such terms as he
9 may deem advisable and without regard to the civil service
10 and classification laws: *Provided further*, That this appro-
11 priation shall be available for the purchase directly from
12 sources authorized by the common carriers of printed de-
13 duced fare requests for use by veterans when traveling at
14 their own expense from or to Veterans' Administration facili-
15 ties: *Provided further*, That notwithstanding any limitation
16 in this Act, this appropriation shall be available for the
17 purchase of legal newspapers in an amount not exceeding
18 \$200.

19 No part of this appropriation shall be expended for the
20 purchase of any site for or toward the construction of any
21 new hospital or home, or for the purchase of any hospital
22 or home; and not more than \$2,500,000 of this appropriation
23 may be used to repair, alter, improve, or provide facilities
24 in the several hospitals and homes under the jurisdiction
25 of the Veterans' Administration either by contract or by

1 the hire of temporary employees and the purchase of
2 materials.

3 For printing and binding for the Veterans' Administra-
4 tion, including all its bureaus and functions located in
5 Washington, District of Columbia, and elsewhere, \$450,000.

6 Pensions: For the payment of compensation, pensions,
7 gratuities, and allowances, now authorized under any Act
8 of Congress, or regulation of the President based thereon, or
9 which may hereafter be authorized, including emergency
10 officers' retirement pay and annuities, the administration of
11 which is now or may hereafter be placed in the Veterans'
12 Administration, accruing during the fiscal year for which this
13 appropriation is made or in prior fiscal years, \$558,252,000,
14 to be immediately available.

15 For military and naval insurance accruing during the
16 fiscal year for which this appropriation is made or in prior
17 fiscal years, \$19,794,000.

18 Adjusted service and dependent pay: For payment of
19 adjusted-service credits of not more than \$50 each and the
20 quarterly installments due to dependents of deceased vet-
21 erans, as provided in the Act of May 19, 1924, as amended
22 (38 U. S. C. 631-632, 661-670), \$40,000, to be imme-
23 diately available and to remain available until expended.

24 Adjusted compensation payments: To enable the Ad-
25 ministrator of Veterans' Affairs to carry out the provisions

1 of the World War Adjusted Compensation Act, 1924 (38
2 U. S. C. 591-683), as amended, and the Adjusted Com-
3 pensation Payment Act, 1936, except section 5 thereof (38
4 U. S. C. 686-688b), \$9,000,000, which amount shall be
5 placed to the credit of the Adjusted Service Certificate Trust
6 Fund, to be immediately available and to remain available
7 until expended.

8 National Service Life Insurance: For transfer to the
9 National Service Life Insurance Fund, in accordance with
10 the provisions of the National Service Life Insurance Act
11 of 1940, on account of payments of benefits in excess of the
12 reserve of the policy in case of death, or for premiums waived
13 in case of total disability, in cases where the death or total
14 disability of the insured shall have been determined by the
15 Administrator of Veterans' Affairs to be the result of disease
16 or injury traceable to the extra hazards of military or naval
17 service, and to reimburse the National Service Life Insur-
18 ance Fund for payments made therefrom when recovery of
19 such payments is waived by the Administrator of Veterans'
20 Affairs under the authority of section 609 (a) of said Act,
21 \$500,000,000, to be immediately available and to remain
22 available until expended.

23 Soldiers' and Sailors' Civil Relief: For payment of claims
24 as authorized by article IV of the Soldiers' and Sailors' Civil
25 Relief Act Amendments of 1942, \$400,000, to be imme-

1 diately and continuously available until expended: *Provided*,
2 That any moneys received under said article IV shall be
3 credited to this appropriation.

4 Hospital and domiciliary facilities: For hospital and
5 domiciliary facilities, \$7,374,500, to remain available until
6 expended: *Provided*, That this amount shall be available
7 for use by the Administrator of Veterans' Affairs, with the
8 approval of the President, for extending any of the facilities
9 under the jurisdiction of the Veterans' Administration or for
10 any of the purposes set forth in sections 1 and 2 of the
11 Act approved March 4, 1931 (38 U. S. C. 438j-k): *Pro-*
12 *vided further*, That not to exceed 3 per centum of this
13 amount shall be available for the employment in the District
14 of Columbia and in the field of necessary technical and
15 clerical assistants to aid in the preparation of plans and specifi-
16 cations for the projects as approved hereunder and in the
17 supervision of the execution thereof, and for traveling ex-
18 penses, field office equipment, and supplies in connection
19 therewith.

20 Total, Veterans' Administration, \$1,259,310,500: *Pro-*
21 *vided*, That no part of this appropriation shall be available
22 for hospitalization or examination of any persons except bene-
23 ficiaries entitled under the laws bestowing such benefits to
24 veterans, unless reimbursement of cost is made to the ap-

1 appropriation at such rates as may be fixed by the Administra-
2 tor of Veterans' Affairs.

3 SEC. 102. During the fiscal year ending June 30,
4 1945, the salaries of the Commissioners of the United
5 States Maritime Commission, with the exception of the Chair-
6 man so long as the office is held by the present incumbent,
7 and the Commissioners of the United States Tariff Commis-
8 sion shall be at the rate of \$10,000 each per annum.

9 SEC. 103. No part of any appropriation contained in
10 this Act shall be used to pay the salary or wages of any per-
11 son who advocates, or who is a member of an organization
12 that advocates, the overthrow of the Government of the
13 United States by force or violence: *Provided*, That for the
14 purposes hereof an affidavit shall be considered prima facie
15 evidence that the person making the affidavit does not ad-
16 vocate, and is not a member of an organization that advo-
17 cates, the overthrow of the Government of the United States
18 by force or violence: *Provided further*, That any person who
19 advocates, or who is a member of an organization that ad-
20 vocates, the overthrow of the Government of the United
21 States by force or violence and accepts employment the
22 salary or wages for which are paid from any appropriation
23 contained in this Act shall be guilty of a felony and, upon
24 conviction, shall be fined not more than \$1,000 or im-
25 prisoned for not more than one year, or both: *Provided*

1 *further*, That the above penal clause shall be in addition to,
2 and not in substitution for, any other provisions of existing
3 law.

4 SEC. 104. No part of any appropriation or authoriza-
5 tion in this Act shall be used to pay any part of the salary
6 or expenses of any person whose salary or expenses are pro-
7 hibited from being paid from any appropriation or authori-
8 zation in any other Act; but this prohibition shall be effective
9 only during the period for which such prohibition in such
10 other Act is effective.

11 SEC. 105. Where appropriations in this Act are expend-
12 able for travel expenses and no specific limitation has been
13 placed thereon, the expenditures for travel expenses may not
14 exceed the amount set forth therefor in the budget estimates
15 submitted for the appropriations.

16 SEC. 106. Where appropriations in this Act are ex-
17 pendable for the purchase of newspapers and periodicals
18 and no specific limitation has been placed thereon, the ex-
19 penditures therefor under each such appropriation may not
20 exceed the amount of \$50: *Provided*, That this limitation
21 shall not apply to the purchase of scientific, technical, trade,
22 or traffic periodicals necessary in connection with the per-
23 formance of the authorized functions of the agencies for which
24 funds are herein provided.

25 SEC. 107. If at any time during the fiscal year 1945

1 the termination of the Act entitled "An Act to provide
2 temporary additional compensation for employees in the
3 Postal Service", approved April 9, 1943, or of the Act
4 entitled "An Act to provide for the payment of overtime
5 compensation to Government employees, and for other pur-
6 poses", approved May 7, 1943, shall be fixed by concurrent
7 resolution of the Congress at a date earlier than June 30,
8 1945, the appropriations contained in this Act shall cease
9 to be available on such earlier date for obligation for the
10 purposes of the terminated Act and the unobligated portions
11 of appropriations allocated for the purposes of such termi-
12 nated Act shall not be obligated for any other purposes of
13 the appropriation during the fiscal year 1945.

14 TITLE II—GENERAL PROVISIONS

15 SEC. 201. (a) Appropriations for the fiscal year
16 1945 available for expenses of travel of civilian officers
17 and employees of the executive departments and inde-
18 pendent establishments shall be available also for expenses
19 of travel performed by them on transfer from one official
20 station to another when authorized by the head of the
21 department or establishment concerned in the order direct-
22 ing such transfer: *Provided*, That such expenses shall not
23 be allowed for any transfer effected for the convenience of
24 any officer or employee.

25 (b) Appropriations of the executive departments and

1 independent establishments for the fiscal year 1945 avail-
2 able for the transportation of things shall be available,
3 in accordance with the Act of October 10, 1940 (5 U. S.
4 C. 73c-1), for expenses incurred in the transfer of household
5 goods and effects of civilian officers and employees of such
6 departments and establishments when transferred from one
7 official station to another for permanent duty.

8 SEC. 202. Unless otherwise specifically provided, no
9 appropriation available for the executive departments and
10 independent establishments for the fiscal year 1945 in
11 this Act or any other Act, shall be expended—

12 (a) To purchase any motor-propelled passenger-
13 carrying vehicle (exclusive of busses, ambulances, and sta-
14 tion wagons), at a cost, completely equipped for operation,
15 and including the value of any vehicle exchanged, in excess
16 of such amount as the Secretary of War, in the case of the
17 War Department, the Secretary of the Navy, in the case of
18 the Navy Department, the Commissioners, in case of the
19 government of the District of Columbia, and the Director
20 of the Bureau of the Budget, in the case of other essential
21 governmental needs, may determine necessary to obtain
22 satisfactory motor-propelled passenger-carrying vehicles, but
23 in no event shall the price so paid for any such vehicle ex-
24 ceed the maximum price therefor established by the Office
25 of Price Administration and in no event more than \$1,500,

1 which amount shall be in addition to the amount required
2 for transportation.

3 (b) For the maintenance, operation, and repair of any
4 Government-owned motor-propelled passenger-carrying ve-
5 hicle not used exclusively for official purposes; and "official
6 purposes" shall not include the transportation of officers
7 and employees between their domiciles and places of em-
8 ployment, except in case of medical officers on out-patient
9 medical services and except in cases of officers and employees
10 engaged in field work the character of whose duties makes
11 such transportation necessary and then only as to such latter
12 cases when the same is approved by the head of the depart-
13 ment or establishment concerned. The limitations of this
14 subsection (b) shall not apply to any motor vehicles for
15 official use of the President, the heads of the executive de-
16 partments, Ambassadors, Ministers, *chargés d'affaires*, and
17 other principal diplomatic and consular officials.

18 SEC. 203. In purchasing motor-propelled or animal-
19 drawn vehicles or tractors, or road, agricultural, manufactur-
20 ing, or laboratory equipment, or boats, or parts, accesso-
21 ries, tires, or equipment thereof, the head of any executive
22 department or independent establishment or his duly author-
23 ized representative may exchange or sell similiar items and
24 apply the exchange allowances or proceeds of sales in such
25 cases in whole or in part payment therefor.

1 SEC. 204. Section 3709, Revised Statutes (41 U. S.
2 C. 5), shall not apply to any purchase by or service ren-
3 dered to any executive department or independent estab-
4 lishment during the fiscal year 1945 when the aggregate
5 amount involved does not exceed \$100, but this section
6 shall not be construed as affecting any provision of law au-
7 thorizing purchases or services without regard to said section
8 3709 in amounts greater than \$100.

9 SEC. 205. Unless otherwise specified and until July 1,
10 1945, no part of any appropriation contained in this or
11 any other Act shall be used to pay the compensation of any
12 officer or employee of the Government of the United States
13 (including any agency the majority of the stock of which is
14 owned by the Government of the United States) whose
15 post of duty is in continental United States unless such per-
16 son (1) is a citizen of the United States, (2) is a person in
17 the service of the United States on the date of enactment of
18 this Act who, being eligible for citizenship, had filed a de-
19 claration of intention to become a citizen of the United
20 States prior to such date, or (3) is a person who owes al-
21 legiance to the United States: *Provided*, That for the pur-
22 pose of this section, an affidavit signed by any such person
23 shall be considered prima facie evidence that the require-
24 ments of this section with respect to his status have been
25 compiled with: *Provided further*, That any person making

1 a false affidavit shall be guilty of a felony and, upon con-
2 viction, shall be fined not more than \$1,000 or imprisoned
3 for not more than one year, or both: *Provided further*, That
4 the above penal clause shall be in addition to, and not in
5 substitution for, any other provisions of existing law: *Pro-*
6 *vided further*, That any payment made to any officer or em-
7 ployee contrary to the provisions of this section shall be
8 recoverable in action by the Federal Government. This
9 section shall not apply to citizens of the Commonwealth of
10 the Philippines or to nationals of those countries allied with
11 the United States in the prosecution of the war.

12 SEC. 206. Appropriations for the executive departments
13 and independent establishments for the fiscal year 1945
14 available for travel expenses shall be available for the pay-
15 ment of per diem allowances in lieu of subsistence expenses
16 without regard to the Subsistence Expense Act of 1926, as
17 amended (5 U. S. C. 821-833), to civilian officers and em-
18 ployees of such departments and establishments while travel-
19 ing on official business outside the continental limits of the
20 United States and away from their designated posts of duty:
21 *Provided*, That the amount of such allowances shall be deter-
22 mined by the head of the department or independent establish-
23 ment concerned or by such official as he may designate for the
24 purpose, but shall in no case, notwithstanding any other provi-
25 sion of law, exceed the maximum established by regulations

1 prescribed by the President for the locality in which the travel
2 is performed: *Provided further*, That the availability of
3 appropriations of the War and Navy Departments with
4 respect to the foregoing shall not be restricted thereby.

5 SEC. 207. The provision of law prescribing the use
6 of vessels of United States registry by employees of the Gov-
7 ernment traveling overseas (46 U. S. C. 1241) shall not
8 apply to such travel during the fiscal year 1945.

9 SEC. 208. Appropriations of the executive departments
10 and independent establishments for the fiscal year 1945 shall
11 be available for reimbursement at not to exceed 5 cents per
12 mile to personnel serving without compensation from the
13 United States for expenses of travel performed by them in
14 privately owned automobiles away from their designated posts
15 of duty, and not to exceed 3 cents per mile for such travel
16 within the limits of their official stations.

17 SEC. 209. Appropriations of the executive departments
18 and independent establishments for the fiscal year 1945,
19 available for expenses of travel, are hereby made available
20 (1) for allowances for living and quarters in accordance
21 with Standardized Regulations prescribed by the President
22 for civilian officers and employees of the Government tem-
23 porarily stationed in foreign countries, and (2) for living
24 quarters allowances in accordance with the Act of June 26,
25 1930 (5 U. S. C. 118a), and regulations prescribed there-

1 under, and cost of living allowances in accordance with the
2 Act of February 23, 1931, as amended (22 U. S. C. 12),
3 and regulations prescribed thereunder, for all civilian officers
4 and employees of the Government permanently stationed in
5 foreign countries: *Provided*, That the availability of appro-
6 priations of the Departments of War, Navy, and State, except
7 the appropriation Cooperation with the American Republics,
8 for any of the above-mentioned objects shall not be affected
9 hereby.

10 SEC. 210. No part of any appropriation for the fiscal
11 year 1945 contained in this or any other Act shall be
12 paid to any person for the filling of any position for which
13 he or she has been nominated after the Senate has voted not
14 to approve of the nomination of said person.

15 SEC. 211. The funds appropriated in the appropriation
16 Acts for the fiscal year 1945 of the services mentioned in
17 the title of the Act of June 16, 1942 (Public Law 607,
18 Seventy-seventh Congress), shall be available for, and the
19 heads of the executive departments concerned are author-
20 ized to prescribe, per diem rates of allowance, at rates
21 not to exceed \$7 per day, in lieu of subsistence to officers
22 traveling on official business and away from their designated
23 posts of duty, and to members of the services concerned
24 (including officers, warrant officers, contract surgeons, en-
25 listed personnel, aviation cadets, and members of the Nurse

1 Corps) when traveling by air under competent orders and
2 on duty without troops.

3 SEC. 212. No part of any appropriation contained in
4 this or any other Act shall be used to pay in excess of \$2
5 per volume for the current and future volumes of the United
6 States Code Annotated or in excess of \$3.25 per volume for
7 the current or future volumes of the Lifetime Federal Digest.

8 SEC. 213. This Act may be cited as the "Independent
9 Offices Appropriation Act, 1945".

INDEX

	Page
American Battle Monuments Commission.....	4
Civil Service Commission.....	7
Executive Office of the President.....	2
Bureau of the Budget.....	3
Executive Mansion and Grounds.....	3
The White House Office.....	2
Federal Communications Commission.....	10
Federal Power Commission.....	12
Federal Trade Commission.....	14
Federal Works Agency.....	15
Administrator, Office of.....	15
Public Buildings Administration.....	16
Public Roads Administration.....	22
Foreign Service pay adjustment.....	28
General Accounting Office.....	28
General Provisions.....	62
Interstate Commerce Commission.....	29
National Advisory Committee for Aeronautics.....	34
National Archives.....	35
National Capital Housing Authority.....	36
National Housing Agency:	
Office of Administrator.....	36
Federal Home Loan Bank Administration.....	39
Federal Housing Administration.....	42
Federal Public Housing Authority.....	44
National Gallery of Art.....	48
Securities and Exchange Commission.....	46
Smithsonian Institution.....	47
Tariff Commission.....	49
Tax Court of United States.....	51
Tennessee Valley Authority.....	50
United States Maritime Commission.....	52
Veterans' Administration.....	53

78TH CONGRESS
2^D Session

H. R. 4070

[Report No. 1023]

A BILL

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

By Mr. WOODRUM of Virginia

JANUARY 26, 1944

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

INTERNAL REVENUE DEPARTMENT
CLASSES FOR WAR WORKERS TO HELP
ON INCOME-TAX RETURNS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FEIGHAN. Mr. Speaker, Thomas M. Carey, Collector of Internal Revenue for the Eighteenth Ohio District, at Cleveland, has inaugurated a plan whereby many hours of work will be saved and applied to the war effort. The plan, which is working very successfully in Cleveland, and which has been adopted by many other Internal Revenue collectors throughout the country, provides a training school in which the qualified personnel of the Internal Revenue Department conduct classes attended by employees of plants and factories, instructing them in the preparation of individual income-tax returns. Those attending these classes are selected from the plants, and trained so that they may help their fellow employees prepare their income-tax returns. Members of industry and labor, chambers of commerce, and the bar associations are cooperating wholeheartedly in this undertaking. The execution of this plan is already lightening the heavy burden upon the Internal Revenue Department, and at the same time facilitating the filing of individual returns. It is estimated that in the Eighteenth Ohio District, under this plan, 300,000 workers who might otherwise have to take at least half a day off, will have their income-tax returns made out in less than one-half hour, thus conserving approximately 150,000 days' work in the production of materials so necessary in the prosecution of the war.

Mr. Carey and the Internal Revenue Department are to be congratulated for originating and putting into effect this successful plan.

The SPEAKER pro tempore. The time of the gentleman has expired.

ABSENTEE SOLDIERS VOTING

Mr. ROWE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ROWE. Mr. Speaker, it has been said in the recent past with reference to the ability of the air transport to take to the different Army posts the larger of the two ballots that have been much discussed here that perhaps the air transport could not accommodate that burden. It may be enlightening to us to know that 6 percent of the total freight imported into this country in 1943 came in by air. The total amount of weight estimated in the longer ballots is about 200 tons. That constitutes less than 1 percent of the amount that was transported abroad and brought back in 1943.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my re-

marks in the Appendix of the RECORD and to include an editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks and insert in the RECORD an editorial from the Sullivan County Republican, by David A. Kyle.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks by including in the RECORD an article from the New York Times to the effect that the American Federation of Labor urges a reconstruction committee by Congress which is the very thing we did yesterday.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

ANNIVERSARY OF WILLIAM McKINLEY'S
BIRTHDAY

The SPEAKER pro tempore. By direction of the Speaker, and without objection, the Chair now recognizes the gentleman from Ohio [Mr. JEFFREY] for 10 minutes to speak on the anniversary of the birthday of President McKinley.

There was no objection.

(Mr. JEFFREY asked and received permission to revise and extend his remarks.)

Mr. JEFFREY. Mr. Speaker, it is fitting even in this time of war-born emergency that the House should pause in its labors to pay tribute to the life of one of America's leaders on the eve of the anniversary of his birth. It is peculiarly fitting since this man attained to greatness on the floor of this very Chamber and because he led this Nation through the trials and travail of war. To serve is the hallmark of the great. He who would be great among you must be your minister, and he who would be chiefest among you must be servant of all. Few men in the history of our Nation have obeyed this command to the degree exemplified by the life of William McKinley. Few have rendered the last full measure of devotion as did he. In private and in public life, in peace and in war, he devoted himself to the service of others. As a frail youth of 18 and somewhat handicapped by sickness and ill health, William McKinley was teaching school in Ohio. One afternoon he returned from a neighboring town to his

own community in which he lived and saw a crowd of horses and buggies and people in front of the old Sparrow House. On the balcony of that hostelry was the leading citizen of the community and he was making a fiery speech. Enthusiasm ran high. Fort Sumter had been fired upon. The call to the colors had been sounded by the President. As the result of that speech, man after man walked down and volunteered his services in the forces of the Union, ignorant alike of the hardships and perils which awaited. Not so William McKinley. He returned to his home, kept his own counsel, and then on the second morning following that address he informed his mother that he was leaving to join the Union forces. He was mustered in at Camp Chase, near Columbus, Ohio, as a private. William McKinley rapidly rose to the rank of sergeant. In 1862, at the battle of Antietam, he was commissioned as a commissary sergeant. The fighting began early and it lasted throughout a long, hard day. McKinley organized his men. But not satisfied to remain safely behind the lines, he hitched a pair of mules to a wagon and took hot coffee and food through the swamps and over shell holes throughout the entire day, even into the battle line itself. As a result of that service he was given a promotion to a commissioned rank, that of second lieutenant. To do the allotted job was never enough. He must travel the extra mile and perform the extra duty which courage and a sincere desire to serve inspired. It is significant, too, that in 1864, at the battle of Cloyd Mountain, the Union forces were forced to retreat. William McKinley was serving Major Hayes as a young staff officer. It soon became apparent that a regiment stationed at the right, down in a wooded valley, had not received the order and would be annihilated. The major glanced at McKinley without a word, and McKinley in turn, without a word, mounted his horse. There was no time for stealth. To get word to the beleaguered regiment meant a wild ride through open country in the face of shot and shell.

Through some miracle both rider and horse arrived unscathed, and an orderly retreat was begun by that regiment as well.

For that act, William McKinley was again promoted, this time to the rank of captain.

In 1865, more than a million men were mustered out of the Army. Necessarily, few bore the rank of major. This erstwhile frail and sickly youth of 18, now become a robust man of 22, old beyond his years by reason of hardship and responsibility, without family or influence, without special friends or special training, was mustered out a major, recognition of his intelligent service and his willingness not only to do his duty, but to go that extra mile and perform that extra duty, which his devotion to his country and to his fellow man always commanded.

As you know, at the close of the war, William McKinley returned to his home and studied law. On his admission to the

bar, he moved to Canton, Ohio, where he was elected prosecuting attorney, and established himself and a flourishing legal practice in that community. He became interested in the political life of the community, as was natural for one who had his ready self-expression, and his genuine fondness of people. Then he was elected to this body.

I think it is generally recognized that his greatest achievements were performed on the floor of this House. I think it is fair to say that no one who served here and later attained to the Presidency, ever so indelibly left the imprint of himself and his personality as did this man who attained the chairmanship of the powerful Ways and Means Committee. In the convention of his party in 1888 he led the Ohio delegation which was pledged to Senator John Sherman. He made the nominating address, and by his eloquence attracted the attention of the other delegates. When the balloting began, someone cast a vote for McKinley. McKinley mounted a chair and in a ringing voice demanded that none who would not dishonor him should cast a vote for him, and thereby cast suspicion upon his loyalty and his integrity. That act and his work and position in this House, which had already made him a marked man, subsequently worked in his behalf when, as Governor of Ohio, he was an avowed candidate for the Presidency.

At that time Mark Hanna made a trip east to measure sentiment of other party leaders. He returned and reported to McKinley the price of support which was demanded by some. To a man in public life, no prize can equal that of the Presidency of the United States. But McKinley, after listening to Mark Hanna, walked over and put his hand on his shoulder and said, "Mark, some things come too high in this world, including the Presidency of the United States."

The promises were never given.

Perhaps the greatest single contribution of William McKinley, outside of his work in this House, was his effort to remove the sectionalism and bitterness which had been engendered by the Civil War, and still persisted. Another martyred President had said "Let us bind up the Nation's wounds." This he sought to do both by word and deed. McKinley, himself a soldier, knew the gallantry of the men in grey.

It is interesting to know that during his first term as President he made a pilgrimage into the deep South and spoke on every occasion, as was his custom. Some of his political advisers had advised him to go West as a more fruitful source of future political support. But again, ever submerging his selfish personal interest, McKinley did that which he thought was for the best interest, not of one section, but of the Nation as a whole.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. RANKIN. I dislike to interrupt the gentleman from Ohio, because he is making a very splendid address.

But I do want to say that Members on this side of the aisle join in paying reverence to the memory of our former President, William McKinley.

His death was one of the greatest shocks the people of the South ever had, because in him they had found a man who, while he did not agree with them politically, manifested a deep and abiding sympathy for their welfare. He was a great humanitarian, he was a great patriot, he was a great statesman, and a great American.

"His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, 'This was a man.'"

Mr. JEFFREY. I thank the gentleman for that contribution.

I would like to add two more episodes in this brief time. The stories concerning McKinley's devotion to his invalid wife are legion. It is well-known that regardless of whether the call was from a minister of state, or from a foreign diplomat, when Ida McKinley's need required, he dropped everything to serve her. Someone else has said that the unflinching courtesy and consideration which dignified McKinley's relationship with everyone throughout his long life was but the bloom of the unselfish service which he rendered to his invalid wife.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. RANKIN. I ask unanimous consent that the gentleman from Ohio may proceed for 5 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JEFFREY. Then may we come down to the time when William McKinley left for Buffalo. His first term in office had been a stormy one, but after that term had been concluded and he entered his second, the entire horizon seemed cloudless. The country was prosperous. A majority of the Members of Congress were of his political faith and were working in complete harmony with him. The war had ended in victory which had enhanced the prestige of this Nation and its Chief Executive. McKinley wanted to go to see that exposition. As he said, "I want to see this milestone in the progress of the country."

Repeatedly he had been warned about submitting his person to public receptions of that nature, but as was his nature, he always replied with the question, "Who would want to harm me?" His great soul, incapable of planning harm to another, in turn refused to believe that another could plan harm to him. But a crazed mind controlled the trigger of an assassin's gun, and McKinley was stricken.

In peace as in war, he had rendered the last full measure of devotion. Surely no man hath greater love than this—that he lay down his life for those whom he served. Surely, he was chiefest of all, even, as in his day, he was the servant of all.

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. NORRELL. I wish to compliment the gentleman upon his fine address. It was my privilege about a week ago to pass by the birthplace of William McKinley in Ohio. As the grandson of a southern Confederate soldier who lost his life

in the conflict, I could not help but feel I was upon hallowed ground, certainly in the presence of the birthplace of one of the greatest, if not the greatest statesmen this country has ever known. I wanted the gentleman from Ohio to know how the South feels, truly toward William McKinley.

Mr. JEFFREY. I thank the gentleman very much.

Mr. MCGREGOR. Mr. Speaker, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. MCGREGOR. I simply want to congratulate my colleague and my personal friend from Ohio for his splendid address on this memorable day.

Mr. JEFFREY. I thank the gentleman from Ohio.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. JENKINS. Mr. Speaker, I ask that the gentleman from New Jersey [Mr. McLEAN] may be permitted to extend his remarks immediately following the address made by my colleague, the gentleman from Ohio [Mr. JEFFREY].

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JENKINS. Mr. Speaker, I also ask unanimous consent that any other Member wishing to make comment on the life, character, and achievements of this distinguished Ohioan may be permitted to extend his remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the Record a discourse by the eminent and accurate Mr. Cedric Foster, radio commentator, with regard to the present relations between Russia and Poland and a discussion of the boundary dispute, delivered over the Mutual Network through Station WNAC on Sunday, January 16, 1944.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes; and, pending that, I ask unanimous consent that general debate on the bill shall continue throughout the afternoon, the time to be equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself.

The SPEAKER pro tempore. The gentleman from Virginia asks unanimous consent that debate on the bill continue throughout the afternoon, the time to be

equally divided between himself and the gentleman from Massachusetts. Is there objection?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4070, the independent offices appropriations bill, 1945, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Virginia is recognized for 15 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, the independent offices bill, which is presently before the committee, I am very happy to say, comes with a unanimous report of the Appropriations Subcommittee on Independent Offices that considered the bill and with a committee amendment which will be offered in connection with the Home Owners' Loan Corporation. I think there is no controversial item in the bill insofar as our subcommittee is concerned. The fact that we come with a unanimous report and with little contest, however, does not minimize the importance of the bill, not only on account of the large sum of money it contains but on account of the fact that it provides for so many of the independent establishments of the Government many of which are vitally and directly connected with the war.

The pending bill contains a total of \$8,500,590,352. The amount appropriated for these establishments for the present fiscal year was \$2,873,507,799. You can see at once, therefore, that there is a tremendous increase in the bill over the amount appropriated for the current fiscal year. I want to analyze this increase for just a moment.

The increase is largely accounted for in three items in the bill: First, the construction fund of the Maritime Commission, which is increased over the current fiscal year by \$5,476,220,000. This is for the construction of ships by the Maritime Commission. The need for this large sum of money comes because of their greatly expanded and greatly stepped up program for the construction of vessels. In connection with this the committee was told by Admiral Land that for the current fiscal year there would be 19,000,000 tons of shipping. That was for 1943. For 1945 they will provide 21,700,000 tons of shipping. Perhaps you will get a better idea of what the shipping program means if it is stated in another way. Today we are building ships at a rate in excess of five per day. At the peak of the program in 1945 it will be at the rate of one ship every 4 hours. The building of ships takes money and we provide in this bill cash and contractual authority for the Maritime Commission who are acting in collaboration and conjunction with the

Chiefs of Staff in building these ships for the purpose of carrying troops, supplies, cargoes, and ships which after the war will be ready to carry the merchandise of America in what we hope will be a favorable world trade.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. VORYS of Ohio. Are these ships of a type that will be able to compete in world trade or are they of the ugly-duckling type?

Mr. WOODRUM of Virginia. Originally we built a good many ships of the ugly-duckling type. Then we passed to the Liberty ship. Present emphasis is being placed entirely on the Victory ship.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. BLAND. The Liberty ship was the ugly duckling type. Now they are concentrating I understand on the Victory ship which is a much faster ship.

Mr. WOODRUM of Virginia. The Victory ship as I understand—and I wish to be corrected by my colleague the gentleman from Virginia, who is chairman of the Committee on the Merchant Marine and Fisheries and knows so much about the program—the Victory ship will equal in every respect or perhaps surpass the best any other nation will have. Does the gentleman agree with my statement?

Mr. BLAND. Yes.

Mr. VORYS of Ohio. Could the gentleman say approximately what the tonnage of the Victory ship is?

Mr. WOODRUM of Virginia. Not off-hand, but they are large ships. Can the gentleman from Virginia [Mr. BLAND] tell us?

Mr. BLAND. I cannot state the tonnage right now.

Mr. VORYS of Ohio. Is it 17,000?

Mr. WOODRUM of Virginia. Seventeen knots is the speed.

Mr. BLAND. Yes; 17 knots and it will probably be a little higher tonnage than the ugly duckling.

Mr. WOODRUM of Virginia. The hearings show that the average tonnage of the Victory ships is 10,500.

As I have said, \$5,476,220,000 of the increase over the amount appropriated for the current fiscal year is for the Maritime Commission, to be used entirely for shipbuilding. If the turn of the war should indicate that we could scale that down it will be done, but as they see it now the \$5,476,220,000 will take the full building facilities of the United States for that period.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. WOODRUM of Virginia. I yield.

Mr. DONDERO. How many ships does that contemplate in number? Can the gentleman give the House any information on that?

Mr. WOODRUM of Virginia. Under the long-range construction program, for which we are appropriating in this bill, the commission has completed 1,145 ships to June 30, 1943, at a total estimated cost of \$2,526,150,535. As of July 1, 1943, 2,992 ships were under construction or contract at a total estimated cost

of \$7,840,370,525. Under the new program contracts for 2,359 ships have been or are to be awarded at a total estimated cost of \$6,111,931,627. The over-all totals are 6,496 ships to be constructed at a cost of \$16,478,452,687.

Under the present program we are turning out about 166 ships a month.

The next large increase in this independent offices bill is in the Veterans' Administration; \$361,142,500 is carried in the bill for the Veterans' Administration over and above the amount carried for the current fiscal year for this activity. I think we can readily understand of course why an increase in appropriations for the Veterans' Administration is necessary. That includes \$164,000,000 for administrative expenses which includes the cost of operating the 45 hospitals, the 42 combined facilities, 10 regional offices, 6 homes, 2 supply depots, and the cost of travel, the examination of beneficiaries, repairs and alterations, and all and sundry such expenses of the Veterans' Administration. There is an increase, also, for pensioners and compensations of \$65,252,000, for adjusted compensation payments of \$9,000,000, and an item of \$500,000,000 which represents the Federal Government's contribution to the national service life-insurance fund. You may be interested to know that as of November 30, last, the Veterans' Administration had more than 13,400,000 applications for policies in the national service life-insurance fund. This indicates that our armed services are availing themselves of the opportunity to take advantage of this very favorable life insurance which is provided for them. The estimated amount of insurance represented by these applications is in excess of \$97,000,000,000. I have an idea that if you put all the life-insurance companies in America together they would not approximate a life-insurance picture comparable to that which has been set up in the Veterans' Administration for the armed services.

You may be further interested to know that General Hines told us this fund is set up on an actuarial basis and that it will be self-sustaining, except, of course, as to the extra war hazard. Where men are lost in the war, of course, that hazard will be paid out of the Federal Treasury; otherwise that insurance, which undoubtedly will be kept up by these men who return from service through the rest of their lives, will be self-sustaining.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. Are the funds of the National Insurance Act and the old war-risk funds intermingled?

Mr. WOODRUM of Virginia. They are not. They are kept in separate funds. There are funds in here for the old war risk insurance to the extent of \$19,794,000, but they are kept entirely separate because, as the gentleman knows, they are on an entirely different basis.

Those two items aggregate \$5,837,000,000 of the amount of increase in this bill. Then we have in addition to that \$47,000,000 for overtime, what we have called overtime pay, which is in reality

the increase in salaries which we have provided for Federal employees. It is a misnomer, in my opinion, to call it overtime, but that is what the Congress has been pleased to call it. It is additional pay for the Government employees who received this increase.

To recapitulate, briefly, in making an over-all comparison between the fiscal years 1944 and 1945, you will find by taking out the 1945 totals increases for the Maritime Commission and the Veterans' Administration totaling \$5,837,000,000, that the bill is still \$210,000,000 under the 1944 appropriation total. However, if we deduct nonrecurring items appropriated for 1944, for which there is no corresponding figure for 1945, including \$50,000,000 for war public works, \$150,000,000 for war housing, \$17,000,000 for construction for the National Advisory Committee for Aeronautics and \$7,000,000 for Puerto Rico relief, making a total of \$224,000,000, it will be seen that the bill on that basis is \$14,000,000 in excess of the 1944 appropriation. Finally, if we take into consideration the matter of overtime, which is contained in the pending bill, in the amount of \$46,000,000, and for which no comparable sum is contained in the 1944 total, you will see that there is, on a comparable basis, a net reduction of approximately \$33,000,000 under the 1944 appropriation.

This is a small amount in a bill of this size, but we think it shows that the committee has tried and the committee did try to hold down expenses and to keep them at an absolute minimum.

I want to comment just briefly on two or three of the cuts that were made in the bill. The bill is cut \$23,531,957 below the budget estimate, most of which is in two large reductions. One reduction was made in the administrative expenses of the Maritime Commission. We cut \$10,000,000 in the administrative expenses of that Commission. That is a pretty drastic cut. I want to be frank and say I do not know whether all of that cut will stick, but we hope it will. The Maritime Commission, if a provision in this bill is passed, will have \$29,130,000 available for administrative expenses during the present fiscal year. They asked for an increase of nearly \$11,000,000 on the theory that this whole program would reach a maximum if the funds were provided in 1945. If it does, that agency may need additional administrative expenses. But the committee felt we would give them a strong incentive to cut down their administrative expenses and we made that curtailment in the administrative expenses of that agency to the extent indicated.

We also cut \$10,000,000 off the road fund for access roads. Access roads, as you know, are the roads provided for just exactly what the word implies, to give access to war industries and war installations. The committee felt that by July 1, 1944, the situation with reference to war installations would be so well stabilized and established that there would be very little need for continuation on the present scale. The budget estimate was for \$50,000,000 for access roads. We thought we were rather conservative

when we took only \$10,000,000 out of that. We left them \$40,000,000. Perhaps we could have taken half of it, but we took only \$10,000,000.

A substantial cut was made in the Federal Communications Commission. There will probably be some discussion on that and I think I will take just a moment or two to discuss it with the committee. The committee will find in the report which bears my name, as chairman of the subcommittee, that I refer to the Federal Communications Commission and state that of the total reduction of \$1,654,857, \$1,000,000 has been specifically applied to that part of the work of the Commission relating to war activities, which, in the opinion of the committee, should be performed by the War and Navy Departments. The justification for the action of the committee was based on a letter signed by the Joint Chiefs of Staff to the Secretary of the Navy suggesting that that work could be performed more effectively by the armed forces and on a joint letter signed by the Secretary of War and the Secretary of the Navy, addressed to the President, transmitting the letter of the Joint Chiefs of Staff. That was the verdict of the majority of the committee, but our committee is unanimous in what we bring in here. I think I can say, without divulging any secrets of the committee that may be objectionable to my colleagues, that in executive session of the committee there was a difference of opinion amongst those members. I happened to be on one side and all the rest of them on the other side, which always makes me doubt whether I am right or wrong. Anyway my Democratic colleagues and my Republican colleagues did not agree with me.

Here is the situation: However we may feel about the Federal Communications Commission, however we may feel about some of its personnel, they are performing a very, very vital war function. It is true that the Joint Chiefs of Staff under date of February 1, 1943, addressed a communication to the Secretary of the Navy in which it was suggested that certain functions presently being performed by the Federal Communications Commission should be withdrawn from it and given to the armed services, that the armed services could better perform those functions and do it more efficiently and with a greater degree of security. You will find the letters I have referred to on pages 16 and 17 of the committee report, if you wish to refer to them. The letter from the Joint Chiefs of Staff is a very strong one.

That letter was transmitted to the President. The President considered the matter, and investigated it, but did not act on the recommendation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, after going into the matter, the President in his wisdom considered that these functions ought to be

continued in the Federal Communications Commission and those functions have continued in that agency. The budget estimate presently before the committee and before Congress called for these functions to continue in the Federal Communications Commission, and so far as I know officially with the acquiescence and approval of the armed forces.

It has been suggested that when the President says a thing should be done the armed forces must acquiesce, that perhaps there may be some element of official coercion or duress; but that is merely an assumption, it is merely a suggestion. There is certainly nothing before the committee that indicated this arrangement which is now going on, by which the Federal Communications Commission is performing these services, is not in every way satisfactory to the armed forces. But, as I say, the majority of the committee thought otherwise and they reported the bill taking a million dollars of that fund out of the bill, which means, if it stays out, some provision will have to be made somewhere for the armed forces to take that work over.

I acquiesce in the judgment of the committee and I expect to make no contest on the floor of the House against the majority opinion of the members of the committee. On some other matters they did the same thing. Their judgment was one way and some of the rest of us the other. But we have tried in this committee to compose our differences, feeling that we are in a better position to pass on these facts than most of you gentlemen who have other duties to perform. The committee is in accord and that is the way the matter will stay in the House.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from California.

Mr. VOORHIS of California. Was there any evidence to the effect that the Federal Communications Commission is not doing a good job?

Mr. WOODRUM of Virginia. I may say to the gentleman that the only evidence there was, and it is very, very emphatic, was the strong letter of the Joint Chiefs of Staff, and a joint letter from the Secretaries of War and Navy transmitting it, which is still there, and we have heard nothing to the contrary. If they have ever changed their minds they have not said so and I think they ought to do so. That is the way the matter is left. I can understand how a Member of Congress may assert and say that if the Joint Chiefs of Staff had been convinced they were wrong in that letter they ought to say so, but they have not said so, so far.

Mr. VOORHIS of California. But aside from that, as far as any evidence before the committee is concerned, there is nothing that would indicate that the Communications Commission was falling down on the job?

Mr. WOODRUM of Virginia. Nothing whatever.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from South Dakota.

Mr. CASE. In further response to the question raised by the gentleman from California, I think his attention should be invited to this very clear statement in the letter to the Secretary of the Navy by the Joint Chiefs of Staff, which concludes:

The result that the attempted duplication by the Federal Communications Commission of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence.

I cannot read that in any other sense than saying that it was the judgment of the Joint Chiefs of Staff that the attempted duplication by the Federal Communications Commission has in fact endangered the effectiveness and security of military radio intelligence.

Mr. WOODRUM of Virginia. Of course, my colleague will remember that chronologically after that letter the President considered the matter and decided otherwise, and as far as we know the Joint Chiefs of Staff acquiesced in it. It seems to me that the matter is left in a very unsatisfactory situation. If the Joint Chiefs of Staff made a strong recommendation like that, and it was decided they were wrong and the President was right, then they ought to say so.

Mr. CASE. My point in interrupting was merely to point out that there was evidence before the committee on the point. This was not an arbitrary action of the majority members of the committee. They did not reach out in thin air and grab it.

Mr. WOODRUM of Virginia. The only evidence the committee had was the letters I have referred to.

Mr. CASE. It was rather a formidable piece of evidence.

Mr. WOODRUM of Virginia. A very formidable piece of evidence; I agree to that.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Kentucky.

Mr. MAY. First of all, may I compliment the gentleman and his committee on their fine attitude on the subject of this particular recommendation, and may I add that I have had some dealings with the subject myself; but does not the gentleman believe the committee is right in taking the position that it did, for the very good reason that if it were not for the fact that the contrary position was taken by their Commander in Chief on this unchallenged and unquestioned recommendation of the Joint Chiefs of Staff, all of whom are men of conviction and courage, they would still stand on it? The fact that they have not changed their attitude in the face of the attitude of the President is conclusive to me that they still believe what they said.

Mr. WOODRUM of Virginia. I think it is capable of that interpretation, no doubt about it.

Mr. Chairman, there are many agencies in this bill. I do not want to consume unnecessary time. As we go on with the debate and as we come to the consider-

ation of the bill under the 5-minute rule, there will undoubtedly be some questions about these agencies. For the present, I yield back the remainder of my time.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill, as has been pointed out, carries approximately \$8,500,000,000, of which approximately \$8,000,000,000 is accounted for by appropriations for the United States Maritime Commission and the Veterans' Administration. This item has been reduced by approximately \$23,532,000 by your committee. It also carries authorizations for the National Housing Administration and T. V. A. out of funds available from other sources, amounting to about \$38,000,000, and your committee has reduced this figure by about \$194,000.

In addition, there is something over a billion dollars in contract authorizations for the Maritime Commission and the Inter-American Highway, and about \$1,833,000,000 in permanent appropriations. The grand total is just over \$11,462,000,000.

I think some of the items might have been reduced further, notably the item in respect to the Home Owners' Loan Corporation, which has not been reduced at all. I understand that a committee amendment will be offered with respect to the latter, which, if accepted, will reduce the item by about \$500,000.

What I want to speak about particularly today is certain evidence developed in respect to two or three of the agencies in this bill, because I think it is extremely important that it should be called to the attention of the House.

UNITED STATES MARITIME COMMISSION

I want to speak first about the United States Maritime Commission, for which approximately six and three-fourths billions of dollars is carried in the bill.

Broadly speaking, this appropriation is based on the philosophy of all-out production with everything we have for the next 18 months. This should produce at least some 30,000,000 tons of shipping to put us well ahead of where we were at the outbreak of the war. Broadly speaking, the United Nations have not lost any ground despite sinkings since the outbreak of the war.

The record indicates 4,137 ships constructed or under construction as of June 30, 1943, and 2,359 ships to be contracted for thereafter under an over-all contract authorization of about \$16,927,000,000. All appropriations are expected to be obligated by contract by June 30, 1944.

The committee has allowed the full construction request, reducing the request for administrative expenditure, however, from \$40,000,000 to \$30,000,000, or about \$1,000,000 more than available for the current fiscal year, feeling that in view of the fact that the peak in construction has already been reached, the increase of 33 percent in regard to administrative expenditure is not justified.

The record of construction of ships in this country since the war broke out has been a tremendous record. I have paid tribute before and I pay tribute now to the workers in our shipyards, and to all

those who have made this construction possible.

As a member of your Appropriations Committee, however, charged with responsibility in respect to appropriations in this field, I feel it my duty to refer again to financial matters with respect both to the Maritime Commission and the War Shipping Administration, since the work of the two agencies is so closely interrelated.

The people of this country, I am sure, are willing to pay every dollar essential to the war effort. On the other hand, the people are demanding the elimination of waste and extravagance and, Mr. Chairman, there appears to be mounting evidence, in the absence of explanation, of gross waste and extravagance in the field now under discussion.

If you will read the hearings and the testimony given by the General Accounting Office, you will notice that the Comptroller General made some investigations of both agencies during the fiscal year 1943, and that he says he found many irregular practices, some due in no small part to the failure of the United States Maritime Commission to issue proper instructions and to exercise the degree of administrative control ordinarily required in the handling of Government business and the expenditure of public funds.

Specifically he found:

Failure to account properly for receipts from revenue-producing activities, such as housing, cafeterias, transportation facilities, etc.; abnormal increase in salaries of officers and employees of contractors operating under Government contracts; reimbursement of improper expenditures, such as for lectures on human engineering, excessive rentals, bonuses to officials and employees, cost of yard publications; assignment of contractors' employees for duty in Commission offices, thereby circumventing administrative salary limitations as well as placing such employees in a position of checking their employer; payments for land in excess of the appraised value thereof; excessive purchases of steel; excessive rentals on equipment under rental-purchase agreements and the release thereof when only small amounts remained to be paid in order to acquire title; purchases of automobiles without regard to the statutory limitations as to the amounts paid; excessive cost of telephone services and the personal use thereof; inadequate safeguard of Government property; failure to transmit all contracts to the General Accounting Office as required by law; failure to maintain adequate inventory of steel, equipment, and other supplies received at various shipyards, or to maintain proper records of transfers of such material between shipyards; the use of a cost-plus-percentage-of-cost form of contract in violation of law; excessive over-all or composite hourly billing rates for ship repairs, due in part to direct charges, also in part to overhead, thereby duplicating amounts by which the composite billing rate was based to the extent of such inclusion.

In the matter of ship charter, the Comptroller General refers not only to "the exorbitant Red Sea charters" but to the fact that existing rates, both time and bareboat, are high.

In respect to insurance, he states that the rates established for insurance purposes appear to be excessive, permitting owners to receive more if ships are lost than if requisitioned. He characterizes this practice as "wasteful of the public

money" and adds that he disapproves of the practice and has so advised the War Shipping Administration.

For a year or more, Mr. Chairman, I have attempted to obtain rather detailed information from the Maritime Commission and the War Shipping Administration. I have not received all of the information which I have requested. Much of it has been incomplete. I have received a lot of statistical matter, how-

ever, and call your attention particularly to one document which I have here, furnished by the Maritime Commission.

You will note that it is about 8 by 10 inches, about an inch thick, and that it has some 70 pages, most of them doubled over, of figures. It is entitled "Special Report on (1) Large Vessels Purchased, (2) Estimated Charter-Hire Payments, and (3) Insurance Placed Covering Period July 1, 1941, to December 3, 1942."

A detailed analysis is, of course, impossible in the limited time available. From this document and other information from official sources, however, I have had certain tables prepared, and under leave to extend my remarks I propose to insert the tables and allow them largely to speak for themselves.

I have a table, for example, on vessels purchased by the Maritime Commission or the War Shipping Administration.

Large vessels purchased by the Maritime Commission, July 1, 1941, to Dec. 31, 1942

	Built	Construction cost	Prices paid by companies	Year bought	Book value (Commission order No. 24)	Prices paid to Commission ¹	Dates purchased by Commission
American President Lines:							
<i>Cleveland</i>	1921	\$6,437,147.13	\$1,125,000.00	1925	\$160,928.68	\$800,000.00	July 7, 1941
<i>Pierce</i>	1921	6,559,364.88	1,125,000.00	1925	163,984.12	800,000.00	July 31, 1941
<i>Taft</i>	1921	6,121,549.88	1,125,000.00	1925	153,038.75	800,000.00	June 17, 1941
Total ¹		19,118,061.89	3,375,000.00		477,951.55	2,400,000.00	
Waterman Steamship Corporation:							
<i>City of Alma</i>	1920	1,707,349.69			42,683.60	660,300.00	Dec. 6, 1941
<i>Dynastic</i>	1919	(²)				656,250.00	Mar. 7, 1942
<i>Marina Paskova</i>	1919	(²)				667,800.00	
<i>Paphael Semmes</i>	1920	1,641,830.63			41,045.75	723,600.00	Nov. 14, 1941
Total.....						2,707,950.00	
Southern Pacific Co. (Morgan Line):³							
<i>El Almirante</i>	1917	(²)				486,595.00	June 26, 1941
<i>El Capitan</i>	1917	1,297,836.52			32,445.90	486,595.00	Do.
<i>El Estero</i>	1920	(²)				406,765.00	July 14, 1941
<i>El Isleo</i>	1920	(²)				406,765.00	July 2, 1941
<i>El Lago</i>	1920	(²)				406,765.00	June 26, 1941
<i>El Mundo</i>	1910	(²)				325,745.00	July 9, 1941
<i>El Occidente</i>	1910	(²)				325,745.00	July 7, 1941
<i>El Oriente</i>	1910	(²)				325,745.00	June 26, 1941
Total.....						3,170,720.00	
American Export Lines:⁴							
<i>New Orleans</i>	1920	1,983,981.19			49,599.52	47,903.55	May 10, 1941
<i>Savolka</i>	1920	1,908,141.80			47,703.50	47,703.55	July 11, 1941
<i>Unicoi</i>	1920	1,906,612.16			47,665.30	47,665.30	Apr. 3, 1941
<i>Ward</i>	1921	1,901,947.59			47,548.70	52,284.74	June 18, 1942
Total.....		7,700,682.74			192,517.02	195,557.14	
Matson Navigation Co.:							
<i>Maui</i>	1920	1,048,669.86			26,166.00	352,800.00	Dec. 31, 1941
<i>Mauin</i>	1917					900,000.00	Dec. 3, 1941
<i>Noggin</i>	1919	1,976,555.01			49,413.00	(³)	Dec. 19, 1942

¹ \$2,400,000 has been paid to the Commission by the War and Navy Departments for these 3 vessels.

² Not available.

³ On Jan. 13, 1944, the Comptroller General reported to Congress that the Commission had made excessive overpayments to this company in the acquisition of 10 cargo vessels in 1941.

⁴ It is understood that prior to the outbreak of this war, the Commission sold certain old vessels to the Alcoa Steamship Co., A. H. Bull Steamship Co., Waterman Steamship Corporation, and American Export Lines with a covenant reserving the right in

the Commission to repurchase the vessels at the prices for which they were sold, and that as to the vessels mentioned, the right to repurchase was exercised against American Export Lines only. This would explain the low prices as compared with those paid Waterman. (See hearings before House Merchant Marine and Fisheries Committee on the report of the Comptroller General in the Waterman case, pp. 193-194.)

⁵ Just compensation.

Numerous vessels purchased by the Commission for the account of the Army and Navy have apparently not been included in the data furnished.

Members of the committee will note particularly the purchase price of \$2,400,000 for three old vessels built back in 1921 which were sold back in 1925 for

\$3,307,000, and which had a General Accounting Office book value of about \$478,000.

I have a table of vessels chartered and

insurance paid by the Maritime Commission or the War Shipping Administration:

Estimated charter-hire payments (July 1, 1941, to Dec. 31, 1942), insurance placed, etc.

	Built	Construction cost	Dates of charters	Charter rates paid	Estimated charter earnings	Book values (Commission order No. 24)	Insurance placed	Insurance paid (?)	Purchase prices paid Government by companies	When bought by companies
American President Lines:										
<i>President Buchanan</i>	1920	\$4,117,495.01	Mar. 12, 1942	\$1,045.33	\$287,954.15	\$102,937.38	\$1,263,960.00		\$550,000.00	1924
<i>President Coolidge</i>	1931	7,871,971.84	Dec. 31, 1941	3,038.71	896,419.45	2,440,356.00	7,000,000.00	(?)	5,333,334.00	1931
<i>President Fillmore</i>	1920	4,078,153.38	Feb. 9, 1942	1,045.33	319,869.33	101,953.38	1,263,960.00		550,000.00	1924
<i>President Grant</i>	1921	4,231,543.19	Mar. 4, 1942	1,120.35	317,761.36	105,788.57	1,263,280.00		550,000.00	1924
<i>President Johnson</i>	1904		June 30, 1942	1,208.27	424,762.07		1,865,160.00			
<i>President Madison</i>	1921	4,115,137.70	Sept. 6, 1941	1,086.93	430,869.83	102,878.40	1,260,120.00		550,000.00	1924
<i>President Taylor</i>	1921	4,308,694.33	Dec. 6, 1941	1,086.93	160,126.43	107,717.35	1,260,906.00		550,000.00	1924
<i>President Tyler</i>	1920	4,110,857.19	Jan. 9, 1942	1,045.33	351,776.90	102,771.42	1,263,960.00		550,000.00	1924
Total.....		32,833,852.64			3,193,539.52	3,064,402.50	16,443,345.00		8,633,334.00	
Waterman Steamship Corporation:										
<i>Topa Topa</i>	1920	1,935,561.62	Mar. 3, 1942	40,308.72	208,849.66	48,439.00	\$840,866.25	In suit.....	75,294.00	1929
<i>Andrew Jackson (ex Salam)</i>	1920	1,527,665.55	Feb. 24, 1942	32,850.00	164,886.63	38,191.62	(⁵)		96,000.00	1940
<i>Antinous</i>	1920	1,631,004.36	Apr. 14, 1942	42,933.60	218,997.44	40,775.10	\$868,320.00	In suit.....	86,436.00	1929
<i>Arizpa</i>	1920	1,529,223.33	Jan. 24, 1942	38,054.32	401,903.29	38,230.57	704,320.00		79,236.00	1929
<i>Bayou Chico</i>	1920	1,686,182.66	Feb. 24, 1942	32,850.00	287,634.64	42,154.57	(⁵)		147,000.00	1940
<i>Beauregard (ex Yapalaga)</i>	1920	1,482,019.16	Apr. 7, 1942	32,850.00	251,045.00	37,060.48	(⁵)		153,000.00	1940

See footnotes at end of table.

Estimated charter-hire payments (July 4, 1941, to Dec. 31, 1942), insurance placed, etc.—Continued

	Built	Construction cost	Dates of charters	Charter rates paid	Estimated charter earnings	Book values (Commission order No. 24)	Insurance placed	Insurance paid (?)	Purchase prices paid Government by companies	When bought by companies
Waterman Steamship Corporation—Continued.										
Bellingham	1920	\$1,958,809.65	Mar. 16, 1942	\$39,396.36	\$229,377.21	\$48,970.00	\$783,843.75		\$87,864.00	
Gateway City	1920	1,428,627.24	Apr. 2, 1942	38,066.98	310,797.51	35,715.68	705,111.25		79,236.00	1929
Lisings	1920	1,688,235.84	May 6, 1942	40,685.08	313,013.48	42,205.88	821,792.50	In suit	70,842.00	1929
Krofesi	1920	1,419,693.63	Apr. 11, 1942	38,252.04	297,136.82	35,418.14	785,662.50			
Lafayette (ex Dryden)	1919	1,768,163.16	Apr. 22, 1942	44,960.00	338,809.89	44,204.08	843,000.00	(?)	52,025.00	1933
La Salle	1920	1,731,028.62	June 16, 1942	32,850.00	152,505.00	43,275.71				
Lawrence	1919	825,272.07	May 29, 1942	23,730.00	162,473.94	20,661.50	315,600.00			
Luga	1919		Feb. 19, 1942	37,350.00	388,440.00		647,625.00			
Maiden Creek	1919	1,881,600.18	June 25, 1942	38,786.04	228,778.95	47,040.00	817,688.00		74,425.00	1929
Waco	1920	1,469,477.14	Feb. 26, 1942	38,034.28	235,812.53	36,736.02	703,067.50		79,366.00	1929
Warrior (ex John J.)	1920	1,630,913.30	Apr. 28, 1942	51,292.00	40,336.00	40,772.80	961,725.00	In suit		
West Kyska	1918	2,006,807.48	Feb. 18, 1942	36,888.00	384,864.80	59,170.15	636,000.00		76,320.00	1929
West Mudaket	1918	1,903,874.80	Feb. 17, 1942	37,292.55	399,328.62	47,596.87	642,975.00	In suit	77,157.00	1929
Yaku	1920	1,473,384.72	Mar. 1, 1942	38,020.62	281,264.00	36,834.00	702,214.00	do	79,236.00	1929
Total		30,977,544.60			5,763,855.41	774,443.40	11,779,210.75		1,355,437.00	
American Export Lines:										
Franklin	1920	1,463,055.42	May 14, 1942	34,834.80	168,368.20	36,576.00	660,600.00		\$58,800.00	1925
Excelsior	1919	1,708,232.40	Jan. 5, 1942	34,834.80	357,637.20	42,705.00	600,600.00		58,687.50	1925
Exchequer	1910	1,457,959.38	Aug. 14, 1942	35,600.00	109,040.00	36,449.00	640,000.00		58,800.00	1925
Excelsior	1920	1,421,633.91	Mar. 26, 1942	34,834.80	301,849.92	35,041.00	600,600.00		58,687.50	1925
Erford	1919	2,063,061.15	Mar. 3, 1942	34,834.80	325,834.65	51,577.00	600,600.00		22,543.00	
Erilona	1919		Feb. 14, 1942	34,834.80	351,042.46		600,600.00			
Ersmouth	1920	1,424,542.99	Apr. 22, 1942	34,834.80	272,512.68	35,613.00	600,600.00		58,687.50	1925
Erpositor	1919		Feb. 6, 1942	34,834.80	242,353.84		600,600.00			
Total		9,538,485.25			2,128,638.95	237,961.00	4,841,200.00		316,205.50	
Alcoa Steamship Co.:										
Alcoa Banner	1919	1,341,921.53	Feb. 22, 1942	34,800.00	303,400.00	33,548.04	600,000.00			
Alcoa Cadet	1919	1,246,079.85	Feb. 23, 1942	34,800.00	142,767.71	31,651.99	585,000.00			
Alcoa Cutter	1918	2,189,213.11	June 1, 1942	35,600.00	239,500.00	54,730.33	640,000.00			
Alcoa Guard	1918	1,265,018.50	July 27, 1942	34,800.00	170,421.77	31,625.46	585,000.00			
Alcoa Leader	1919	1,908,412.51	Dec. 31, 1941	34,800.00	430,676.77	46,710.31	600,000.00			
Alcoa Mariner	1919	1,881,662.20	June 17, 1942	32,850.00	86,976.65	47,041.50	(?)			
Alcoa Master	1919	1,861,015.41	May 30, 1942	34,800.00	236,045.95	46,547.88	600,000.00			
Alcoa Pilot	1919	1,264,503.07	July 10, 1942	34,800.00	180,922.58	31,612.58	585,000.00			
Alcoa Rambler	1919	2,212,914.34	Feb. 14, 1942	32,850.00	322,914.06	55,497.85	(?)			
Alcoa Ranger	1919	1,726,325.23	Mar. 2, 1942	34,800.00	92,085.89	43,158.14	600,000.00			
Alcoa Scout	1919	1,279,103.17	Nov. 9, 1941	34,800.00	389,524.26	31,977.58	585,000.00			
Alcoa Trader	1920	1,475,380.49	May 23, 1942	34,800.00	219,753.14	36,884.51	600,000.00			
Alcoa Transport	1918	733,840.48	July 17, 1942	20,475.00	50,664.61	18,346.00	238,000.00			
Alcoa Voyager	1919	2,077,639.19	July 4, 1942	32,850.00	144,886.05	51,949.87	(?)			
Total		22,353,929.08			8,010,539.44	561,273.04	6,418,000.00			
Luckenbach Steamship Co.:										
Andrea Luckenbach	1919	2,727,698.31	Jan. 26, 1942	60,896.60	646,427.19	68,192.45	1,274,580.00			
Edward Luckenbach	1916		Mar. 3, 1942	51,540.00	189,517.41		1,041,250.00			
F. J. Luckenbach	1917		Dec. 4, 1941	48,518.40	576,906.69		981,920.00			
Harry Luckenbach	1919	3,152,202.35	Apr. 20, 1942	51,140.00	408,055.87	78,805.00	1,034,450.00			
Horace Luckenbach	1919	2,194,387.63	Feb. 14, 1942	46,813.20	465,517.65	54,861.00	947,410.00			
J. L. Luckenbach	1919		Feb. 6, 1942	50,202.00	517,554.22		1,016,005.00			
Jacob Luckenbach	1918	1,779,474.82	Jan. 27, 1942	46,400.00	493,071.73	44,437.00	870,000.00			
Julia Luckenbach	1917		Feb. 3, 1942	51,450.00	535,880.99		1,041,250.00			
Katrina Luckenbach	1918		do	48,518.40	502,592.86		981,920.00			
K. I. Luckenbach	1918		Feb. 6, 1942	48,518.40	452,054.09		981,920.00			
Lena Luckenbach	1920	1,637,297.16	Feb. 4, 1942	43,259.10	434,888.04	40,332.00	844,080.00			
Lewis Luckenbach	1919	2,726,842.66	Feb. 2, 1942	60,789.10	625,440.21	68,171.00	1,272,330.00			
Lillian Luckenbach	1919		Apr. 29, 1942	50,202.00	386,241.28		1,016,005.00			
Mary Luckenbach	1910		Feb. 5, 1942	36,400.00	265,306.64		679,745.00			
Matthew Luckenbach	1918	2,845,172.65	do	45,680.00	468,520.96	71,129.00	856,500.00			
William Luckenbach	1913		Feb. 3, 1942	45,784.20	493,272.26		926,585.00			
Total		17,063,075.58			7,461,248.09	425,926.45	14,914,261.00			
Lykes Bros. Steamship Co.:										
American Press	1920	1,344,428.60	Mar. 9, 1942	34,800.00	334,936.40	33,610.00	599,925.00			
Chester Valley	1919	1,500,738.69	May 6, 1942	34,800.00	252,367.49	37,518.00	599,925.00		40,075.00	1933
City of Joliet	1920	2,033,403.04	Feb. 20, 1942	40,000.00	103,317.61	50,835.00	738,075.00		49,205.00	1933
City of Omaha	1920	2,019,861.59	Mar. 11, 1942	40,000.00	342,971.77	50,496.00	738,075.00		49,205.00	1933
Cripple Creek	1919	1,941,732.71	May 25, 1942	40,000.00	111,509.12	47,543.00	728,025.00		48,535.00	1933
Effingham	1919	1,966,849.35	(?)		326,300.72	48,020.00	727,050.00	Lost \$727,050	48,470.00	1932
Gneiss Lykes	1919	896,990.52	May 7, 1942	22,882.50	176,802.00	22,424.00	303,750.00			
Hybert	1920	3,005,355.00	Mar. 6, 1942	40,000.00	152,606.25	75,083.00	738,075.00		49,205.00	1933
Margaret Lykes	1919		May 26, 1942	27,750.00	190,893.12		450,000.00			
Meanticut	1921	1,952,682.67	Mar. 20, 1942	38,897.95	360,447.47	48,817.00	702,975.00		46,865.00	1933
Narbo	1920	1,971,419.86	May 21, 1942	39,018.30	276,904.04	49,285.00	705,150.00		47,010.00	1933
Nashaba	1921	1,870,875.26	June 5, 1942	38,798.35	256,942.25	46,996.00	701,175.00		46,745.00	1933
Nemaha	1920	2,009,543.06	Mar. 5, 1942	40,000.00	350,752.16	50,230.00	738,075.00		49,205.00	1933
Nishnabaw	1919	1,940,887.60	June 5, 1942	39,059.80	257,445.79	48,522.00	705,900.00		47,060.00	1933
Scottsburg	1919	2,202,631.79	Apr. 12, 1942	48,996.00	102,981.60	55,065.00	918,675.00			
Syros	1920	2,001,144.78	Jan. 23, 1942	37,500.00	155,000.00	50,029.00	738,075.00		49,205.00	1933
Tillie Lykes	1920	896,483.86	May 26, 1942	23,419.25	45,126.00	22,412.00	310,875.00			
Velma Lykes	1920	898,264.00	May 10, 1942	23,165.00	18,531.96	22,457.00	307,500.00			
Volunteer	1918	2,151,566.67	Nov. 28, 1941	48,685.00	636,463.50	53,689.00	948,000.00			
Western Queen	1918		May 29, 1942	37,250.00	255,859.59		646,050.00		43,070.00	1933
Winston Salem	1920	2,027,863.21	Apr. 14, 1942	40,000.00	342,666.61	50,697.00	738,075.00			
Total		34,641,722.26			5,055,825.45	863,737.08	13,783,420.00		613,855.00	
Grace Line, Inc.:										
Cacigua	1918	1,153,448.71	June 6, 1942	24,001.20	161,209.90	28,836.21				
Chipan	1920	1,103,228.16	July 1, 1942	26,775.00	139,381.15	27,550.70	382,500.00			
Falcon	1919		May 31, 1942	23,871.25	185,002.19		316,875.00			
Lara	1919	1,340,690.47	June 12, 1942	23,871.25	152,378.18	33,517.26	316,875.00			
Santa Elna	1933	4,217,294.37	Jan. 3, 1942	2,114.96	734,948.60	2,406,000.00	5,335,000.00			
Santa Isabel	1931	2,393,566.30	July 11, 1942	45,985.03	220,821.50	958,000.00	(?)			
Santa Lucia	1933	4,214,598.95	Feb. 27, 1942	2,103.69	647,936.00	2,549,376.00	5,335,000.00	\$3,802,091.21		
Santa Maria	1921	1,734,290.49	Oct. 10, 1942	45,600.64	92,166.62	43,357.26	(?)			
Santa Monica	1902		Mar. 25, 1942	47,252.33	425,309.26		(?)			

See footnotes at end of table.

Estimated charter-hire payments (July 4, 1941, to Dec. 31, 1942), insurance placed, etc.—Continued

	Built	Construction cost	Dates of charters	Charter rates paid	Estimated charter earnings	Book values (Commission order No. 24)	Insurance placed	Insurance paid (?)	Purchase prices paid Government by companies	When bought by companies
Grace Line, Inc.—Continued.										
<i>Santa Paula</i>	1932	\$4,192,839.45				² \$1,258,000.00	\$5,335,000.00			
<i>Santa Rosa</i>	1932	4,210,312.31	Jan. 3, 1942	¹ \$2,132.91	\$677,198.93	² 1,264,000.00	5,335,000.00			
<i>Susan B. Anthony</i>	1930	3,449,267.25	Feb. 28, 1942	¹ 1,930.13	584,829.39		5,335,000.00			
Total.....		28,009,536.46			4,021,182.24	6,568,667.43	27,691,250.00			
Matson Navigation Co.:										
<i>Kahuka</i>	1920	1,998,189.19	May 6, 1942	⁴ 37,931.00	50,574.70	49,954.00	685,500.00			
<i>Kaimoka</i>	1919	1,992,104.35	Jan. 7, 1942	⁴ 39,134.50	234,821.11	49,802.00	707,250.00			
<i>Kohala</i>	1919	1,886,516.89	Mar. 15, 1942	⁴ 35,389.56	284,755.48	47,162.00	613,222.50			
<i>Liloa</i>	1918	1,840,395.07	Mar. 14, 1942	⁴ 36,105.00	265,129.94	46,010.00	622,500.00			
<i>Manukai</i>	1921		Feb. 16, 1942	⁴ 57,176.10	600,349.05		1,217,581.00			
<i>Mariposa</i>	1931	8,373,000.00	Dec. 30, 1941	⁴ 3,567.00	1,233,671.50	² 2,791,000.00	7,000,000.00			
<i>Monterey</i>	1932	8,118,262.00	Dec. 1, 1941	⁴ 3,363.00	1,325,022.00	² 2,977,000.00	7,000,000.00			
<i>Makiki</i>	1917	2,674,616.41	Feb. 16, 1942	⁴ 37,853.10	223,167.05	66,865.00	695,381.00			
<i>Makua</i>	1920		Feb. 9, 1942	⁴ 26,512.50	224,330.81		378,750.00			
<i>Manukai</i>	1921		Feb. 14, 1942	⁴ 57,167.50	604,074.20		1,217,069.00			
Total.....		26,883,083.91			5,145,925.84	6,027,793.00	20,137,253.50			
United States Lines:										
<i>Chagres</i>	1919		June 8, 1942	⁴ 37,157.70	251,433.77		640,650.00			
<i>Wakefield</i> (Ex <i>Manhattan</i>).....	1932	10,667,000.00	June 6, 1942	¹ 2,100.00	428,400.00	³ 3,688,838.00	10,000,000.00	In suit		
<i>Mount Vernon</i> (Ex <i>Washington</i>).....	1933	10,342,929.41	June 6, 1942	¹ 2,131.90	444,904.13	³ 3,447,643.60	10,000,000.00			
Total.....		21,009,929.41			1,124,737.90	7,136,481.00	20,640,650.00			

¹ Day.

² Estimated.

³ Lost.

⁴ Month.

⁵ Just compensation.

The charters provide that the Government will assume war risk insurance on chartered vessels; and that interest at 3 percent shall be paid on the stipulated amount beginning 120 days after loss.

The above headings "Book Value per Commission General Order No. 24" mean that the values shown have been determined in accordance with said general order, on the basis of a 20-year life. Under the formula the book value for a vessel is: Its cost to the

⁶ The *Bellingham* was originally sold by the Government to the Tacoma-Oriental Line for \$87,864, and was later resold to Waterman for an unknown amount.

⁷ The *Lafayette* was originally sold by the Government to Lykes Bros. Steamship Co. for the amount shown.

⁸ Red Sea-1 voyage paid.

owner, plus improvements, if any, less depreciation over a 20-year period, and without any enhancement due to the causes necessitating its taking, namely, the present war. The Comptroller General takes the position that this is true both in respect to purchase and insurance.

In amounts designated "(Est)" in the "Book values" column, depreciation is estimated since it is not known on what dates insurance applied.

Recapitulation.—Vessels chartered, insured, etc.

	Construction costs	Estimated charter earnings	Book value (commission order No. 24)	Insurance placed	Purchase prices paid Government by companies
American President Lines.....	\$32,833,852.64	\$3,193,539.52	\$3,064,402.50	\$16,443,345.00	\$8,633,334.00
Waterman Steamship Corporation.....	30,977,544.00	5,763,855.41	774,443.40	11,779,210.75	1,355,437.09
American Export Lines.....	9,538,485.25	2,128,638.95	237,961.00	4,844,200.00	316,205.00
Alcoa Steamship Co.....	22,355,929.08	3,010,539.44	561,273.04	6,218,000.00	
Luckenbach Steamship Co.....	17,093,075.58	7,461,248.06	425,926.45	14,914,261.00	
Lykes Bros. Steamship Co.....	34,641,722.26	5,250,014.21	863,737.68	13,783,420.00	613,855.00
Grace Line, Inc.....	28,009,536.46	4,021,182.24	6,568,667.43	27,691,250.00	
Matson Navigation Co.....	26,883,083.91	5,145,925.84	6,027,793.00	20,137,253.50	
United States Lines.....	21,009,929.41	1,124,737.90	7,136,481.00	20,640,650.00	
Total.....	223,311,158.19	37,099,681.60	23,660,684.90	136,651,590.25	

Attention is directed to the fact that 112 vessels, most of them over 20 years of age, having an original construction cost of about \$223,000,000, and a General Accounting Office book value of less than \$24,000,000, were chartered to earn in a period of 18 months, over \$37,000,000, and were insured in an amount of more than \$136,651,000.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BLAND. The matter to which the gentleman refers is included in the report of the Attorney General, and they were investigated by the Merchant Marine and Fisheries Committee—the Waterman and the Tampa matters. The report is now pending and is being investigated by the Merchant Marine and Fisheries Committee.

Mr. WIGGLESWORTH. Is the gentleman asking a question?

Mr. BLAND. I asked if this were included in those subjects of investigation because the Committee on Merchant Marine and Fisheries held a most careful

examination and investigation and is submitting all of its conclusions.

Mr. WIGGLESWORTH. I will say to the gentleman that the tables are based on a great many ships from a good many lines. Whether these the gentlemen refers to are included I am not at the moment certain. The tables will, I think, speak for themselves.

Mr. BLAND. The gentleman knows that the Committee on Merchant Marine and Fisheries is going into all of these subjects as closely as it can, with the limited facilities as to accountancy.

Mr. WIGGLESWORTH. I hope this presentation may be helpful to the committee.

Mr. BLAND. It will be considered by the Committee on Merchant Marine and Fisheries in view of the statement made by the gentleman from Massachusetts and will be given careful consideration by the War Shipping Commission and by the Maritime Commission as well as by the committee.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. O'BRIEN of New York. I was very much interested in the statement made by the gentleman, particularly when he stated that there have been gross discrepancies detected in the spending of money by the Merchant Marine. Further supplementing the remarks of our distinguished chairman, the gentleman from Virginia [Mr. BLAND], a report has been gotten up by the committee which I do not believe the gentleman has seen, but I believe will prove to be beneficial in the event he wants to avail himself of it. This is a report concerning the Waterman and the Tampa situation. I think it would be most clarifying in the event these figures had been obtained prior to getting out this report. I merely make that suggestion.

Mr. WIGGLESWORTH. I am merely trying to suggest a general picture based on figures largely presented to me by the Maritime Commission and the War Shipping Administration. I think the general picture should be explored.

Mr. O'BRIEN of New York. I hope the gentleman takes that as a contribution, and not as a critical expression. We very thoroughly appreciate that and these inconsistencies will be gone into very carefully, and the chairman as well as every other member of the committee feels that should be done.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. COLE of New York. Can the gentleman inform the committee of the terms under which new ships built by the War Shipping Administration are turned over for use by foreign countries?

Mr. WIGGLESWORTH. Does the gentleman mean to foreign countries?

Mr. COLE of New York. Ships built by the United States through the Maritime Commission or the War Shipping Administration are being turned over for use by foreign countries, as, for instance, Great Britain.

Mr. WIGGLESWORTH. I do not think that I can give the gentleman very specific information. Some ships have, of course, been made available under lend-lease.

Mr. BLAND. I have inserted into the Record a letter from the Maritime Commission as to the terms. Certainly it may be said that title is retained to all these vessels. They are only under charter.

Mr. Chairman. I also have a table in respect to the Red Sea charters, which I will insert at this point. It will be noted that some 81 vessels with a depreciated value of about \$3,256,000 apparently earned some \$26,878,000 profits in a matter of a few months.

Admiral Land told us adjustment is being sought in this connection, but to date there have been only two companies that have repaid anything, the aggregate being something like \$310,000.

[From Congressional Record, Mar. 30, 1943, p. 2791]

Red Sea Charter profits

Name of owner	Number of vessels	Number of voyages	Depreciated value of vessels	Net profit
American Export Lines ¹	6	6	\$232,000	\$1,572,000
American Foreign Steamship Corporation.....	2	2	806,000	481,000
American-Hawaiian Steamship Co.....	10	10	479,000	3,097,000
American Presidents' Line ^{1,2}	2	3	307,000	814,000
Atlas Trading Corporation.....	1	1	(3)	57,000
Boyd, Weir & Sewell, Inc.....	1	1	(3)	385,000
Calmar Steamship Corporation.....	7	8	695,000	2,640,000
Isthmian Steamship Co.....	6	7	1,590,000	2,529,000
Luckenbach Steamship Co., Inc.....	10	12	1,427,000	3,890,000
Lykes Bros. Steamship Co., Inc. ¹	4	4	187,000	1,318,000
Matson Navigation Co. ¹	4	4	238,000	995,000
McCormick Steamship Co. ¹	2	3	146,000	743,000
R. A. Nicol, Agent.....	6	6	(3)	1,662,000
Norwegian Shipping & Trading Mission.....	1	1	(3)	367,000
Shepherd Steamship Co.....	1	2	167,000	498,000
Sudden & Christian.....	1	1	(2)	270,000
Union Sulphur Co.....	1	2	(3)	364,000
Waterman Steamship Co. ¹	12	12	855,000	3,733,000
Weyerhaeuser Steamship Co.....	4	5	1,037,000	1,463,000
Total.....	81	90	8,256,000	26,878,000

¹ These companies or their affiliated companies were subsidized under the 1936 act.

² The Maritime Commission owns 90 percent of stock of this company.

³ Not known.

⁴ This company was subsidized under the 1928 Shipping Act.

NOTE.—Some, if not all, of the other companies listed above have received aid in some form under the 1928 or the 1936 acts in the way of tax-exempt profits, long-term credit at low rates of interest, purchased Government tonnage at small percentage of its construction cost to Government, etc.

Waterman Steamship Corporation and Pan-Atlantic Steamship Co. (subsidiary) turned in for credit under section 510, Merchant Marine Act, 1936, as amended

Name of vessels	Dates built by Government	Deadweight tons	Construction cost to Government	Date sold by Government	Sales price	Date reacquired by Government	Value under Commission Order No. 24	Credit allowance under sec. 510
West Kyska ¹	1918	8,480	\$2,006,807.48	September 1931.....	\$76,320.00	July 1943.....	\$50,170.00	\$500,000.00
Lafayette.....	1919	11,240	1,768,163.16	April 1932.....	52,025.00	do.....	44,200.00	673,000.00
Kofresi ¹	1919	7,999	1,881,600.18	September 1931.....	70,425.00	do.....	35,492.00	686,763.00
Gateway City ¹	1920	8,804	1,428,627.24	do.....	79,236.00	do.....	35,715.00	688,900.00
Arizpa ¹	1920	8,804	1,529,223.33	do.....	79,236.00	do.....	38,230.00	688,900.00
Pan Gulf.....	1918	8,594	2,249,620.43	March 1929.....	57,000.00	September 1943.....	56,240.00	541,000.00
Panama City.....	1920	7,667	1,660,776.73	do.....	57,502.50	do.....	41,519.00	548,000.00
Average per deadweight ton.....		61,688	12,524,818.55 203.00		471,744.50 7.65		301,566.00 4.90	4,385,550.00 71.10

¹ Operated under mail contract, Merchant Marine Act, 1928.

Red Sea voyages—lease lend (before trade in)

Name of vessel	Revenues	Expenses	Voyage profit	Profit per dead weight per month
West Kyska.....	\$594,761	\$243,422	\$351,339	\$6.41
Lafayette.....	590,237	293,532	296,705	4.67
Gateway City.....	400,863	209,029	191,834	3.78
Total.....	1,585,861	745,983	839,878	5.15

The committee will note that seven vessels over 20 years of age sold by the Government as far back as 1919–22 for about \$470,000, and having a General Accounting Office book value of about \$301,000 were accepted against a credit of \$4,385,000, or thereabouts.

Mr. O'BRIEN of New York. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Under date of August 2, 1943, the Comptroller General had the following to say to Admiral Land, Chairman, Maritime Commission:

Examination of the statement reveals that of the 81 privately owned vessels which performed 90 voyages, 64 of the vessels which performed 71 voyages were formerly owned by the United States.

There is transmitted herewith a statement prepared from available data showing results of the transactions as related to the 64 vessels, briefly summarized as follows:

Amount received by the Government from sales of the	
64 vessels.....	\$15,480,459.32
Depreciated value (1941)....	5,157,777.60
Insured for.....	61,192,300.00
Voyage profit paid by United States on 71 voyages (average 186 days).....	20,917,067.50
Voyage profit per dead-weight ton per month.....	5.51

Mr. BLAND. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BLAND. I just want to call to the attention of the gentleman that even this morning there was a meeting on the subject of Red Sea charters by a subcommittee of which the gentleman from New Jersey [Mr. HART] is chairman. That matter is being fully gone into and the committee takes pride in having been effective in securing \$310,000. We are still following it up.

Mr. WIGGLESWORTH. I understand a subcommittee of the Committee on the Merchant Marine and Fisheries held extensive hearings on this subject sometime ago. To date however I have seen neither published hearings nor any report. I am glad to hear the committee intends to follow the matter up.

Mr. BLAND. I will be glad to submit what we have. There was an investigation also as to the earnings up to a period fairly recent. I think the stock earnings of the company were held up for a while.

Mr. WIGGLESWORTH. Mr. Chairman, I have also a table which deals with vessels traded in for credit under section 510 of the Merchant Marine Act.

Mr. O'BRIEN of New York. Is the gentleman familiar with the details associated with that transaction?

Mr. WIGGLESWORTH. I may not be. If there is an explanation I hope it will be furnished.

Mr. O'BRIEN of New York. They will be furnished.

Mr. WIGGLESWORTH. I requested of the Commission information as to agency fees. That information has not

been furnished in detail. It does appear, however, on page 781 of the hearings that from January 1 to June 30, 1943, 65 agents operated 1,339 vessels at a cost to the War Shipping Administration of about \$18,555,000.

A year ago the Comptroller General indicated that he was making no less than 27 investigations into transactions in this general field. A good many of them, I think, had to do with the Red Sea charters and have to some extent at least been taken up with the Merchant Marine and Fisheries Committee. There are seven other major investigations, however. Three of them have been concluded and reports made to the House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 20 more minutes.

No action has apparently been taken as to the other four investigations for reasons unknown.

It was only a few days ago that report No. 3 was made to Congress with respect to the Morgan line. I have not

seen the report, but according to the press it dealt with 10 ships purchased by the Commission from 17 to 30 years old and the Comptroller General stated there was "evidence indicating that the Commission had utterly disregarded its responsibility to Congress and to the taxpayers by pursuing a course of action which was unsound and improvident at the very outset and which could lead only to waste and extravagance of public funds."

Recently the W. S. A. asked for an increase in their force of inspectors, the reason given being that there has heretofore been an improper control over repair work. It was estimated that a saving of not less than \$50,000,000 a year should be possible.

The record also indicates that the accounting work for the two agencies is very much in arrears, particularly with respect to the W. S. A.

The general picture suggested, Mr. Chairman, in the absence of explanation, regardless of differences between lawyers, is a picture, to my mind, of gross

waste of the people's money. I think it is a picture that demands both investigation and explanation. I am glad to hear that the standing committee of the House feels it is making headway in this field. If that committee is too busy, it seems to me by all means we should set up a special committee to cover the field thoroughly and in detail.

No one, I am sure, least of all those in charge of the Maritime Commission and the War Shipping Administration, wants to see a repetition of the waste and scandals in shipping circles such as existed after the last war, which existing legislation was designed to prevent.

At this point, Mr. Chairman, I shall insert three further tables from the CONGRESSIONAL RECORD bearing on the earnings of various shipping companies, together with an article from the Times-Herald of October 13, 1943, based on a letter from the Comptroller General to the gentleman from Ohio [Mr. JONES], appearing in the CONGRESSIONAL RECORD of October 8, 1943, at page 4511 and other Government records:

[From the CONGRESSIONAL RECORD of Mar. 2, 1943, pp. 1508 and 1509]

List of operating subsidy contractors, showing operating results under permanent agreements to Dec. 31 1941

Period	Contractor	Schedule	Total subsidy accrued (1)	Total profit (2)	Recapture accrual (3)	Net profit to contractor (4)	Dividends paid to stockholders
1938-41	American Export Lines, Inc.	5-a	\$5,084,756.13	\$23,419,348.44	\$5,084,756.13	\$18,334,592.31	\$1,962,687.50
1940-41	American Mail Line, Ltd.	5-b	710,446.73	3,681,780.94	None	\$2,011,655.77	103,337.00
1938-41	American President Lines, Inc.	5-c	8,598,917.56	13,493,216.82	6,631,850.22	\$6,861,366.60	0
1940-41	American South African Line, Inc.	5-d	365,668.31	4,701,771.11	1,365,698.31	\$2,425,889.62	435,318.00
1938-41	Grace Line, Inc.	5-e	4,269,350.79	10,495,924.17	2,839,606.20	\$7,415,474.15	7,010,300.00
1938-41	Lykes Bros. Steamship Co., Inc.	5-f	5,612,050.45	15,112,581.35	\$5,612,050.45	\$9,500,530.90	3,335,000.00
1938-41	Mississippi Shipping Co., Inc.	5-g	1,701,939.39	6,826,752.64	\$1,701,939.41	\$5,124,813.23	1,287,000.00
1938-41	Moore-McCormack Lines, Inc.	5-h	3,898,227.89	24,971,412.17	\$3,267,543.91	\$16,346,211.26	1,304,375.00
1938-41	New York & Cuba Mail Steamship Co.	5-i	1,690,686.98	2,277,989.88	668,130.54	\$1,594,562.01	125,000.00
1938-41	The Oceanic Steamship Co.	5-j	2,456,636.07	3,955,784.95	386,891.20	\$3,568,893.75	0
1938-41	Seas Shipping Co., Inc.	5-k	1,107,937.96	9,078,788.51	\$1,107,937.96	\$7,970,850.55	125,506.00
1938-41	United States Lines Co.						
	(1) Operating-differential subsidy agreement, dated Dec. 31, 1937	5-l	6,008,232.91	4,928,093.09	\$34,861.49	\$4,093,231.60	\$1,912,729.88
	(2) Charter party agreement, dated Sept. 27, 1939	5-m	245,180.65	1,247,038.87	None	\$2,642,105.93	0
	(3) Charter party agreement, dated Mar. 1, 1940	5-n	980,565.04	6,491,707.72	66,888.81	\$3,894,156.61	0
	Total		42,730,626.79	130,682,235.16	28,568,244.63	\$91,612,334.30	17,651,253.38

¹ 50 percent of the profits in excess of 10 percent of the capital employed in business exceeded this amount, but the total subsidy accrued is the maximum amount that can be recovered.

² When the sum of columns (3) and (4) is less than column (2), the difference is made up of "additional charter" hire (sec. 709 (a)) accruing to the Commission annually, as follows:

American Mail Line, Ltd.*	\$1,670,125.17
American South African Line, Inc.*	82,183.18
Grace Line, Inc.*	240,753.81
Moore-McCormack Lines, Inc.*	5,357,657.00
New York & Cuba Mail Steamship Co.*	15,296.83
United States Lines Co., charter party dated Sept. 27, 1939*	604,977.94
United States Lines Co., charter party dated Mar. 1, 1940*	2,530,662.30
Total	10,501,656.23

The amount of "Recapture accrual" is payable to the Commission at the end of a 10-year period or upon termination of the contract. The actual amount of recapture apparently depends upon the status of "Capital reserve funds" and the "Special reserve funds" at the time of termination of the subsidy contracts or at the end of any 10-year period. (See secs. 606 and 607 of the Merchant Marine Act, 1936, as amended.)

*These companies had charter contracts where the recapture clause was not applied as the provision was omitted from the contracts.

Balances on deposit as of Dec. 31, 1941, in capital and special reserve funds

Name of company	Deposits			Withdrawals—mortgage payments and down payments on vessels	Balance on deposit Dec. 31, 1941	Recapture of excess profits and additional charter hire accrued to Commission
	Profits—subsidized operations	Proceeds of sale of vessels, depreciation accruals, and profits, other operations	Total			
American Export Lines, Inc.	\$20,955,554.52	\$5,567,567.32	\$26,523,121.84	\$12,521,164.75	\$14,001,957.09	\$5,084,756.13
American Mail Line, Ltd.	1,777,173.80		1,777,173.80		1,777,173.80	1,670,125.17
American President Lines, Inc.	12,839,645.80	4,225,839.66	17,065,485.46	11,648,189.36	5,417,296.10	\$6,631,850.22
American South African Line, Inc.	4,210,447.15	3,055,513.50	7,265,960.65	2,317,423.77	4,948,536.88	447,881.49
Grace Line, Inc.	8,011,057.35	10,125,076.27	18,136,133.62	8,109,030.04	10,027,103.58	3,080,450.01
Lykes Bros. Steamship Co., Inc.	12,694,782.03	17,764,139.33	30,458,921.33	18,220,760.88	12,238,160.45	\$5,612,050.45
Mississippi Shipping Co.	6,008,633.49	3,008,828.51	9,017,462.00	3,489,110.60	5,528,351.40	1,701,939.41
Moore-McCormack Steamship Co.	17,039,922.99	9,816,429.59	26,856,352.58	18,923,884.31	7,932,468.27	\$1,825,200.91
New York & Cuba Mail Steamship Co.	1,185,939.64	3,072,625.10	4,258,564.74	3,371,132.57	887,432.17	683,427.37
Oceanic Steamship Co.	3,998,923.81	4,642,153.67	8,641,077.48	4,090,500.00	4,550,577.48	386,891.20
Seas Shipping Co.	8,656,837.43	1,759,777.78	10,416,615.21	4,835,415.77	5,581,199.44	1,107,937.96
United States Lines Co.						
Operating-differential subsidy agreement dated Dec. 31, 1937	2,965,739.41	9,771,866.77	12,737,606.18	6,615,602.45		
Charter party agreement, dated Sept. 27, 1939	123,991.51		123,991.51		5,188,549.47	4,037,390.54
Charter party agreement, dated Mar. 1, 1940	339,180.40	173,873.83	513,054.23	1,570,500.00		
Grand total	100,807,829.80	72,983,691.33	173,791,520.63	95,712,714.50	78,078,806.13	39,069,900.86

¹ Accruals for account of the Commission exceeds balance on deposit.

	Capital employed ¹		Dividends paid 1938-41 (in- clusive)	Earnings and prof- its deposited in reserve funds, free of all Fed- eral taxes	Mortgage and cash payments paid on vessels built or purchased, withdrawn from tax-free reserve funds, which leg- islation makes tax-free	Balance of earnings and profits in reserve funds free of all Federal taxes, Jan. 1, 1942
	1938	1941				
Moore-McCormack Lines.....	16,346	8,433,961	1,304,375	26,856,352	18,923,884	7,932,468
American Export Lines.....	2,473,225	13,667,860	1,962,687	26,523,121	12,521,164	14,001,957
Lykes Bros. Steamship Co.....	3,874,378	8,777,996	3,385,000	³ 30,458,921	18,220,760	12,238,160
Grace Line, Inc.....	7,306,357	15,954,434	7,010,300	⁴ 18,136,133	8,109,030	10,027,103
Mississippi Shipping Co.....	2,161,526	4,454,239	1,287,000	9,017,462	3,489,110	5,528,351
Seas Shipping Co.....	100,815	2,895,434	125,506	10,416,615	4,835,415	5,581,199
American South African Line.....	1,442,291	4,254,049	435,318	7,265,960	2,317,423	4,948,536
American Mail Line, Ltd.....	1,300,043	2,115,262	103,337	1,777,173	0	1,777,173
American President Line ⁵	0	2,295,163	0	17,065,485	11,648,189	5,417,296
United States Lines.....	8,247,584	5,279,294	1,912,729	12,737,066	6,615,602	6,122,003
Oceanic Steamship Co.....	6,853,956	8,875,584	0	¹ 8,641,077	¹ 1,570,500	4,550,577
New York & Cuba Mail Steamship Co.....	1,669,484	3,821,358	125,000	4,253,564	4,090,500	887,432
Total.....	35,446,005	80,824,634	17,651,252	173,154,469	² 95,712,714	79,012,255

¹ Financial data from statements of contractors, unaudited by Maritime Commission.

² Does not include payments to and profits of contractors through proposed changes in sec. 902.

³ Represents, in part, earnings from unsubsidized operation, \$11,000,282, authorized by Commission.

⁴ Represents, in part, earnings from unsubsidized operations, authorized by Commission.

⁵ The Maritime Commission owns 90 percent of the stock.

[From the Washington Times-Herald of
October 13, 1943]

SHIP DEAL MAY COST TAXPAYERS THIRTY-SIX MILLION MORE

(By Willard Edwards)

Amid the furor aroused yesterday in Congress over the disclosure that a steamship company made a 3,000-percent profit on an obsolete vessel at the taxpayers' expense, additional facts of an equally startling nature regarding the same company's operations were brought to light.

This new evidence showed that the Lykes Bros. Steamship Co., which ran a \$48,470 investment in the tramp steamer *S. S. Effingham* into a profit of \$1,439,559, including War Shipping Administration insurance of \$727,050 when the tub sank at sea in 1942, was started on a \$115,000 shoestring in 1918 and has already realized more than \$32,000,000 from its shipping connections with the Government.

MORE PROFITS INDICATED

Capping these revelations was the discovery that the company would stand to collect an additional profit of \$36,000,000 if it were permitted to collect an insurance profit of \$700,000 on each of 52 obsolete vessels which it bought from the Government, as was the case of the *S. S. Effingham*.

In making known the huge profits reaped from the 9,694-ton freighter, Representative ROBERT F. JONES, Republican, of Ohio, told the House that the case was only one of dozens in which shipping companies have enriched themselves through contracts and insurance deals with Uncle Sam with the taxpayer footing the bill.

Here is the revealing story of the Lykes Bros. Steamship Co.'s growth under the beneficent policies of the United States Shipping Board, the Post Office Department, and the Maritime Commission:

The company commenced business as an operator of United States Shipping Board tonnage in 1918, on a gross commission basis, with net assets, or invested capital, of \$115,000. Without the stockholders investing any additional capital in the company, other than profits left in the business, the company and its associated or affiliated companies by June 30, 1935, realized from its Government shipping connections the sum of \$6,625,000 before income tax, or \$5,891,000 after income taxes.

52 VESSELS PURCHASED

In March 1944 the company purchased 52 vessels built during World War No. 1 for the sum of \$2,462,000. The construction cost of these vessels was \$98,000,000. Thus, the purchase price averaged around \$5.04 a dead-

weight ton, or approximately 2½ percent of the construction cost.

When the sale of those vessels was made, a mail contract (No. 57) was simultaneously awarded to the company by the Post Office Department. The total mail pay under the contract from its inception until it was canceled June 30, 1937, was approximately \$10,000,000.

After June 30, 1937, the company operated its several foreign-service trade routes under an operating subsidy agreement, awarded pursuant to the 1936 Maritime Act, and realized from those operations a total of \$15,000,000 in profits which are tax free under a special provision of the 1936 act except for amounts paid out in dividends.

The company received some additional easy money in Red Sea contracts when it garnered a net charter hire of \$1,318,000 on four vessels, with a depreciated or residual value of \$187,000, which made one voyage each to the Red Sea area.

The total of these transactions, since the company was started on a \$115,000 investment in 1918, is \$32,209,000.

These figures do not take into account profits, reported to be enormous, under additional mail contracts which do not appear to be a matter of public record. Nor do they include as profits the amount gained by the company when it bought the 52 vessels which originally cost \$98,000,000 to build, for less than \$2,500,000.

CIVIL SERVICE COMMISSION

I want to speak about the evidence in connection with another agency. I refer to the Civil Service Commission, and more particularly its investigative work in the field of loyalty.

The general impression has prevailed and various agencies have attempted to create that impression, I think, that most if not all applicants for positions on the Federal pay rolls are carefully examined on the score of loyalty by the Civil Service Commission. This is not the fact. What are the facts, as developed by the record?

In the first place, it appears from January 1, 1940, to November 23, 1943, almost 3 years, the Commission investigated only 185,509 persons, having a backlog of 58,469, or a total, roughly, of 243,000 cases as against 5,000,000 placements. That is, less than 5 percent were examined.

In the second place, it appears that only such personnel is examined as the

Commission is required to examine under individual contracts concluded with the several agencies of Government.

In the third place, it appears that the Commission has little or nothing to do with appointments overseas. Generally speaking a person can be given a job overseas and the Commission has nothing to do with either loyalty or salary.

In the fourth place, it appears that of the regular investigations made, only 4 percent were made before the individuals were actually put on the pay roll.

In the fifth place, it appears that delays have been tremendous in certain cases.

In the sixth place, it appears that in the period of a year between July 1942 and August 1943, over one-third of the recommendations of ineligibility on account of lack of loyalty by Commission examiners were overruled by the Commission.

Finally, Mr. Chairman, there appears a most alarming picture, to my mind, in connection with the so-called "flags" used by the Civil Service Commission.

These flags, we are advised, are used when derogatory information is found about an individual after he has been cleared by the Civil Service Commission; after he is on the pay roll of some agency; after the Commission has lost its jurisdiction for the time being. The derogatory information is summarized and sent to the employing agencies, and a flag is put up in the Commission's files in case, for example, an employee tries to transfer, when the jurisdiction of the Commission reasserts itself. We are told there are no less than 90,000 of these flags flying at the present time. No wonder the Commission itself is dissatisfied.

Now, both on the floor and elsewhere, reference has recently been made to instructions issued by the Commission to its regional directors, under date of November 3 last. Those instructions, as the Members will recall, provide, among other things, that under no circumstances shall Civil Service Commission investigators ask an applicant any questions involving applicant's sympathy with the Loyalists of Spain, with the Abraham Lincoln Brigade or any other

Spanish relief groups; or ask a husband any questions about his wife, or vice versa; or inquire into the type of reading matter, including specifically the Daily Worker and all radical or liberal publications; or inquire about any so-called mixed parties; or ask anything regarding membership or interest in the Lawyers' Guild, the Civil Liberties Union, the League of Women Shoppers, the Harry Bridges Defense Committee; or any questions regarding political philosophy. The instructions appear in full at page 1077 of the hearings.

The record indicates that these instructions constitute merely a reaffirmation of existing policy; that they have the present endorsement of the Commission, and that the Commission has never barred anyone from service in the Government solely because of membership in any one of the organizations mentioned in these instructions.

All I can say, Mr. Chairman, is that personally I should hate to be an investigator, seeking results which I believe to be vital to the Nation, under such prohibitions as are embodied in the instructions referred to. I do not think they are conducive to maintaining the morale of the investigators, and I do not think they are conducive to carrying out the congressional intent.

The whole picture, to my mind, is unsatisfactory. The Commission does not begin to cover the field that it ought to. It operates far too slowly and it is operating under conditions which in my judgment make effective and comprehensive work impossible.

I sincerely hope that the committee which is now preparing to investigate these conditions will develop them fully and in detail, because the matter, in my judgment, is of vital importance to the Nation in this time of national peril.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. TABER. I have heard rumors that there was somebody screening out the investigators' reports on those who are reported to be subversive by the investigators, so that those who are totally disloyal to the Government may be put on the rolls. I get this from all over the country. It is creating a tremendous lot of dissatisfaction amongst the public, because they like to see those who are on the Federal pay roll loyal to the Government of the United States. I have been very much disturbed in hearing these things about the Civil Service Commission.

Mr. WIGGLESWORTH. I can say to the gentleman from New York, in that connection, that the record indicates that in the summer of 1941, a change in procedure was made at the Commission, whereby recommendations from the Commission's investigators were sent through a new link, or set-up of three individuals, called, I think, the Loyalty Board. Whether that is the explanation or not, as I have already indicated, in respect to some 299 recommendations of ineligibility on the score of lack of loyalty by the Commission's investigators, in the space of a year, 102 were overruled after they left the investigators and before they left the Commission.

Mr. TABER. In other words, this board is allowing people to go on the pay roll who do not have any business there?

Mr. WIGGLESWORTH. It looks to me like a very high percentage of overruling.

FEDERAL COMMUNICATIONS COMMISSION

Mr. Chairman, I think I ought to say a few words with reference to the Federal Communications Commission and the reduction in its request, which has already been referred to by the distinguished gentleman from Virginia [Mr. WOODRUM].

The request of the Commission, \$8,371,700, was, I think, the largest request in its history, and compares with a request for the fiscal year 1940 of \$1,830,000. This request was made despite the fact that the record indicates a reduction in the cost of operation during the past year of several hundred thousand dollars and despite the fact that there are now 127 vacancies in the authorized pay roll of the Commission.

Your committee has made a total reduction in the request of something over \$1,650,000, partly in respect to the request for the Budget and personnel set-ups, partly in respect to the Federal broadcasting intelligence service, and partly in respect to the Radio Intelligence Division.

The agency sought to more than double its set-up in respect to personnel and budget, heading up the two agencies with \$6,500 employees, as compared with \$2,300 and \$3,200 employees, that have been responsible for the work heretofore. The committee has made a moderate reduction, about 20 percent, in respect to each of those requests.

For the Foreign Broadcasting Intelligence Service, which was started with the President's emergency funds in the amount of \$150,000 in 1941, the agency requested \$1,863,000 and a total personnel of 447. This was \$40,000 more than allowed for the current year.

The request was made despite the fact that the record indicates the financial requirements have been leveling off. The foreign short- and medium-wave programs have been at their peak. That work abroad is in large measure under the military or under O. W. I., supervised by the military, and that a declining interest in military and economic intelligences to be obtained is admitted.

Much of the material collected by this bureau is turned over to O. W. I. which in turn releases it to the press and broadcasting stations. Evidence before the select committee investigating the Commission would indicate that a lot of this is duplication and material which could otherwise be obtained.

Much of the material collected by this agency goes to other agencies of the Government which the Commission says desire to receive the material. Evidence before the select committee both on and off the record raises a very grave question as to the value of this service. Representatives of several agencies have gone so far as to state that in their opinion it is absolutely valueless, the material finding its way almost immediately into the waste basket.

It is true that the Commission has offered certain letters indicating approval

of the work done in this field. It is also true that a former officer of this Division of the Commission testified before the select investigating committee that some letters at least had been solicited with a view to bigger and better appropriations. In my judgment a material slash in this request is justified.

For radio intelligence work which was also set up by emergency funds of the President back in 1941 to the extent of \$1,600,000, the request was \$1,960,000.

Evidence before the select investigating committee tends to indicate that a large portion of this work has been sheer duplication, and as the chairman of the subcommittee, the gentleman from Virginia, has indicated, the Army and Navy have been of the opinion that all the equipment and personnel in the radio-intelligence field should be transferred to the Army and Navy and be under military control.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 additional minutes.

Committee action has been taken with a view to bring this result about. The committee reduced the request by \$1,000,000 on the theory that ample is left for carrying on any activities that might be properly classified as peacetime activities. Personally I think that more than enough has been left for these activities.

I am not going to take the time to read the letters, but under leave to extend my remarks I am going to insert at this point in the RECORD so that the Members may read them in full, a letter addressed to the Secretary of the Navy under date of February 1, 1943, signed by Admiral Leahy on behalf of the Joint Chiefs of Staff; a proposed Executive order attached to that letter; and the letter of February 8 signed by Secretary of War Stimson and Secretary of the Navy Knox addressed to the President of the United States.

LETTER IN RE TRANSFER OF RADIO INTELLIGENCE ACTIVITIES TO THE ARMY AND NAVY

Letter dated February 1, 1943, on the letterhead of the Joint Chiefs of Staff, addressed to the Secretary of the Navy, Washington, D. C.:

MY DEAR MR. SECRETARY: In response to your memorandum to the Joint Chiefs of Staff, dated September 11, 1942, on the subject of responsibility for the conduct of security of military communications activities, the Joint Chiefs of Staff have had made a thorough and comprehensive study of the problems referred to therein, in which full consideration has been given to the views of the military and naval commanders in the field who are charged with responsibility for military action based on radio intelligence. A summary of the findings is given in the following paragraphs:

In general, radio intelligence is the method of determining the enemy's plans and dispositions through observation of his radio communications. The facilities used for this are also used to assist our own forces through monitoring of communications channels to enforce security standards and to render assistance to our own craft.

Both the Army and Navy are engaged in radio intelligence and related activities. In addition, the Federal Communications Com-

mission has set up an elaborate system of its own which is engaged in—

(a) the location of enemy units at sea and abroad;

(b) the interception of enemy army, navy, and diplomatic traffic;

(c) the location of clandestine stations;

(d) the giving of bearing aids to lost planes;

(e) the maintenance of a marine watch at distress frequencies; and

(f) the monitoring of military radio circuits. These activities of the Federal Communications Commission are constantly expanding and are a substantial drain upon available material and personnel.

Radio-intelligence activities of the Federal Communications Commission tend to be less and less useful as the art progresses. This is due to integration into proper radio-intelligence systems of large quantities of secret military information accumulated through special processes by the armed forces, including exchanges of military information with our allies, knowledge of present and proposed disposition of forces, and other special information which for obvious reasons cannot be disseminated to an agency such as the Federal Communications Commission.

Moreover, information obtained by the Federal Communications Commission through its own radio-intelligence activities is not, in the military sense, secure, due to inherent tendencies toward publicity of Federal Communications Commission activities, use of nonsecure methods of reporting and correlation, and the necessarily close relationship of the Federal Communications Commission military intelligence activity with other phases of the agency's work.

Because of the essential differences between military and Federal Communications Commission standards and methods it has not been possible to integrate their information, with the result that the attempted duplication by the Federal Communications Commission of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence.

In view of the foregoing it is concluded that the better prosecution of the war will be served by terminating all military and quasi-military radio intelligence activities of the Federal Communications Commission and confining such activities to the Army and Navy.

Since the Army's present need for personnel and equipment in the field of radio intelligence is greater than that of the Navy, all of the radio-intelligence facilities of the Federal Communications Commission should forthwith be transferred to the Army entirely. The personnel of the Federal Communications Commission heretofore engaged in radio intelligence should be made available initially as civilian employees of the Army, pending decision by the Army as to which shall be placed in military status, which replaced by military personnel, and which would be best retained in the Army as civilian employees.

The foregoing conclusions are supported by the views of the Army and Navy commanders in the field who are charged with responsibility for military action based on radio intelligence.

The Joint Chiefs of Staff therefore request the Secretaries of War and Navy to join in a recommendation to the President that he transfer to the Army personnel and equipment now used by the Federal Communications Commission in the field of radio intelligence. A proposed Executive order is enclosed.

From the standpoint of the present problem, the promulgation of this Executive order would leave the Federal Communications Commission in the radio field, with the re-

sponsibility for monitoring, processing, and disseminating foreign voice, news, and propaganda broadcasts (its Foreign Broadcast Intelligence Service), the monitoring and inspection of stations licensed under the Communications Act of 1934, all necessary licensing procedures, including revocation and suspension, and the institution of prosecutions of licensed stations and operators for violations of treaty, statute, or regulations.

The Army and Navy (in accordance with divisions of function between themselves) would have full and exclusive responsibility for the conduct of military radio intelligence as described in the present report.

Sincerely yours,

WILLIAM D. LEAHY,
Admiral, United States Navy,
Chief of Staff to the Commander
in Chief of the Army and Navy.
(For the Joint Chiefs of Staff).

Proposed Executive order attached:

EXECUTIVE ORDER

TRANSFERRING RADIO INTELLIGENCE FUNCTIONS TO THE WAR AND NAVY DEPARTMENTS

By virtue of the authority vested in me by title I of the First War Powers Act, 1941, approved December 18, 1941, as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered as follows:

1. All functions, powers, and duties of the Federal Communications Commission in the field of radio intelligence and, particularly in the conduct of direction-finding activities; the location of enemy radio transmissions abroad and at sea; the interception of radio traffic of foreign countries (excluding voice broadcasting); the detection, location, and suppression of clandestine or illegal stations both abroad and within the limits of the United States, its territories and possessions and the areas occupied by its armed forces; the giving of radio and direction-finding navigational aids to vessels and aircraft; the monitoring of United States Army and Navy communications circuits and the maintenance of distress-frequency watches, are transferred to the Departments of War and Navy in accordance with distribution of functions established between them.

2. All records and property (including radio transmitting and receiving equipment) and all personnel of the Federal Communications Commission used primarily in the performance and administration of the functions transferred by this order are transferred to the War Department for use in the performance and administration of functions transferred by this order; but any personnel so transferred who are found by the War Department to be in excess of the personnel necessary for the performance and administration of such functions, powers, and duties shall be retransferred under existing law to other positions in the Government or separated from the service. So far as possible, personnel transferred who are found qualified therefor shall be placed in a military status.

3. So much of the unexpended balance of the appropriations or other funds available, including those available for the fiscal year ending June 30, 1943, to the Federal Communications Commission in the exercise of functions transferred by this order as the Director of the Budget, with the approval of the President, shall determine, shall be transferred to the War Department for use in connection with the exercise of functions so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations or other funds prior to the transfer.

THE WHITE HOUSE, February —, 1943.

Letter to the President signed by the Secretary of War, and the Secretary of the Navy, dated February 8, 1943:

THE PRESIDENT,

The White House, Washington, D. C.

DEAR MR. PRESIDENT: We join with the United States Chiefs of Staff in recommending that you promulgate the attached Executive order transferring from the Federal Communications Commission to the Department of War certain radio-intelligence functions.

Through radio-intelligence activities, the military forces of the United States and our allies obtain military information of the utmost importance. Radio intelligence is an important military weapon.

Participation by the Federal Communications Commission in radio intelligence should be discontinued, because:

Since radio intelligence develops information as to the movements and dispositions of the enemy, it is essential, for reasons of coordination and security, that there be full military control;

Since the responsibility for military action rests with the armed forces, the responsibility for obtaining the technical information governing that action must also be in the armed forces;

Military activities have been hampered by severe shortages of trained personnel and critical equipment essential to radio intelligence.

The Secretary of the Navy, on September 11, 1942, requested the Joint Chiefs of Staff to study the problem of responsibility and security of radio intelligence. The Joint Chiefs of Staff have made a thorough and comprehensive study, and their response, based on that study, is attached hereto. They, as well as the responsible military commanders, in the field, are of the belief that radio intelligence, the location of clandestine stations, the supervision of military communications security and related activities must, in their very nature, be under the sole control of the military forces.

Enclosed herewith is a copy of a letter from Admiral Leahy recommending this action.

Yours respectfully,

FRANK KNOX,
Secretary of the Navy.
HENRY L. STIMSON,
Secretary of War.

I call attention to the fact that from these letters it appears that the responsible military commanders in the field, the Joint Chiefs of Staff, Secretary Stimson, and Secretary Knox all believe that "radio intelligence, the location of clandestine stations, the supervision of military communications security and related activities must in their very nature be under the sole control of the military forces."

I reemphasize the quotation referred to by the gentleman from South Dakota [Mr. CASE] this morning stated as the deliberate opinion of the Joint Chiefs of Staff after investigating the matter thoroughly from September 1942 to February of 1943:

The attempted duplication by the F. C. C. of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence.

Finally I call attention to the fact that there would no doubt have been available a great deal of corroborating and detailed testimony by high-ranking officers of both the Army and Navy had not their

testimony before your Select Investigating Committee been forbidden by the President.

Under date of June 25, 1943, your Select Committee through its counsel requested the appearance of 10 Army officers and 20 Navy officers, requested the production of documents in some 20 categories from the Army and some 25 categories from the Navy, stated specifically that the examination would not call for the disclosure of any secret military information whatsoever, detailed the facts it was desired to inquire into, and stated that these facts had been substantially established through investigation by the Select Investigating Committee.

In due course, Mr. Chairman, the requests were denied in their entirety by letters signed by the Under Secretary of War and the Under Secretary of the Navy by direction of the President on the ground and on the sole ground that the production of the testimony requested would be "incompatible with the public interest."

VETERANS' ADMINISTRATION

I cannot conclude my remarks, Mr. Chairman, without a word in reference to the Veterans' Administration, for which there is provided a total of over \$1,259,000,000 as compared with \$898,000,000 for the current year, the second largest item in the bill.

There is an inevitable increase all along the line, the principal increases being \$250,000,000 in respect to the national service life insurance; \$65,000,000 in respect to Army and Navy pensions; \$46,000,000 in respect to salaries and expenses; and \$9,000,000 in respect to the adjusted-service-certificate fund.

General Hines covers the picture in detail with his usual care, indicating among other things, steps being taken to advise the veterans of their rights on discharge, to expedite rating and to assure hospitalization, vocational rehabilitation and a helping hand in respect to jobs.

Funds carried in this bill together with supplementary funds anticipated in a deficiency bill in the near future will assure 100,000 beds by July 1, 1945; another 100,000 beds are expected from the Army and Navy at the close of the war; a third 100,000 beds to be constructed in the years after the war. The general states that adequate beds are available under the present program, barring heavy casualties. He does not recommend accelerating the program at this time.

Anyone reading the record will find, I think, a complete answer to the vicious propaganda indicating that the Congress is not prepared to do everything in its power for those bearing the brunt of the war effort in the armed services.

HOME OWNERS' LOAN CORPORATION

Mr. Chairman, I will take just a moment or two before concluding my remarks to refer to the Home Owners' Loan Corporation.

I call your attention to the fact that the agency's request this year is for \$9,276,105, compared with \$9,581,466 for the current fiscal year; that its request for personnel is 2,904, as compared with 3,237

for the present fiscal year. It still desires to retain 8 regional offices and 22 smaller offices.

The record indicates that the Corporation is in the red to the tune of \$65,000,000, that it has sustained a loss of about \$254,548,000 on property with a book value of about \$821,844,000.

A report on a plan for liquidation is due from the agency by February 1. In my judgment the liquidation which has proceeded to the extent of about 53 percent has not proceeded rapidly enough. I see no reason why private institutions should not take over the mortgages and save the Government the tremendous cost of collecting interest. At this time I think the agency should devote itself to liquidation and not to perpetuation. Private institutions stand ready to cooperate as I have abundant correspondence to substantiate.

I think the Congress should take steps to insure liquidation at the earliest possible moment and I hope the report from the agency will point to the road in that direction.

F. P. H. A., FEDERAL REGISTER, BUDGET BUREAU

In conclusion may I invite the attention of the committee to the testimony of the Federal Public Housing Administration appearing at page 598 of the hearings, particularly to the unit costs of construction presented. I also refer you to the testimony concerning the Federal Register at page 163 of the hearings, particularly to the break-down of 19,000 documents which the register has published during the first 11 months of this year, documents having general applicability and legal effect, the best possible evidence, to my mind, of government by edict which is ours today. Finally I refer you to the testimony of the Bureau of the Budget appearing on page 958 of the hearings, particularly to the statement that as of October last there were unobligated balances on the books of the various agencies to the extent of \$90,000,000,000.

Mr. CLASON. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Massachusetts.

Mr. CLASON. I notice in today's paper they speak of the housing projects here in Washington being for sale at half price, while the N. H. A. has indicated it must receive more than half of the cost. Nevertheless, the real estate dealers point out that in order for a private person to own that property, which cost \$11,450 a family unit, they would have to get at least \$165 a month, while the Government at present is getting \$89 a month rent. Do I understand that the Appropriations Committee intends to put more money into these housing units at the present time with full knowledge that the Government will ultimately take a loss of at least 50 percent?

Mr. WIGGLESWORTH. I may say to the gentleman that I think those particular properties are under the Defense Housing Corporation. Speaking generally, there is little or no housing construction in contemplation at the present time. Slum clearance projects have been

definitely held up and the war housing program will be completed in the very near future. I think by the middle of the summer. Most of the funds requested here are for management as distinguished from further construction.

Mr. CLASON. If this property is sold the money which comes back as the purchase price will go directly into the Treasury and not into the hands of N. H. A. or some other Government agency to spend again?

Mr. WIGGLESWORTH. Well, as I say, I think these properties come under the Defense Housing Corporation which is in turn a subsidiary of R. F. C.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, eventually, of course, what comes back ought to be reflected.

Mr. CLASON. The gentleman would not expect then under the program as he knows it to have these receipts spent in developing new projects on which the Government would continue to take a loss of 50 percent every time it acted?

Mr. WIGGLESWORTH. Well, control over these Government corporations is a very different matter from control over the housing in this bill. The matter would probably be largely dependent on the discretion of R. F. C. and its subsidiary in the light of available funds.

Mr. CASE. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from South Dakota.

Mr. CASE. Is it not a fact that the Congress declined to make appropriations for the Federal Works Agency under the Lanham act in the supplemental or deficiency appropriation bill that was approved shortly before the recess and that out of those funds it had been proposed to construct some housing but that money was denied?

Mr. WIGGLESWORTH. The gentleman is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STARNES of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. RUSSELL]?

There was no objection.

Mr. RUSSELL. Mr. Chairman, a few years ago I met a young man who lived out in the western part of my district who had come to my home town to attend college. During the time that he stayed there and attended school he made many friends among the students and the citizens, as well as the teachers of the college there, and finished school with high honors.

Soon after war broke out this young man enlisted in the service of his country and distinguished himself with glory over on Bataan and in the Philippine Islands. During the Christmas holidays, after having been sent back to this country, in a crash out on the west coast this young man, that I learned to know and to love, gave up his life.

I have a letter from Colonel McGaughey of his home town, publisher of the Albany News, which I would like to read to the House. After addressing me he states:

It has been brought to my attention by a resident of Lubbock that the Government might erect some kind of marker at the grave of Lt. Col. William Edwin Dyess, the hero of Bataan, who was buried in the Albany Cemetery following his death in Hollywood when he crashed his burning plane rather than hit a car.

As you know, Colonel Dyess was one of the outstanding officers on Bataan—and was the last officer in command there, as he led a group into the hills after the surrender and fought on for several days. His pursuit plane fought in the air until the last plane was unable to take to the air. One of Colonel Dyess' last missions in the air was a bombing attack on Jap ships in Subic Bay, where he blew up a small island with great quantities of ammunition and supplies, sank a destroyer and several small boats. Bombs were tied to his pursuit plane and released over the target. Bombs sank a transport, and evidently damaged the destroyer, which Colonel Dyess proceeded to sink with 50-caliber fire. Following this Colonel Dyess commanded his troops as infantrymen, at one time killing 600 Japs who had landed behind the American lines.

When his story is released, and it should be right now, it will shock the nations as nothing has in this war: The cruelty of the Japs to the prisoners following the surrender of Wainwright. Dyess was one of the few men who escaped a Jap prison camp, and his story of that escape is a real thrill to any red-blooded American; their flight through the islands with the Japs on their heels made a chapter in American annals. The Japs know every move they made and every foot of ground they covered. In fact the escape party marked their trail at times with ambushed, very dead Japs.

About the marker, Albany people would appreciate it because we think Edwin Dyess was made of the stuff heroes are made of. His family, as you know, could have buried him in Arlington National Cemetery, but preferred to have him buried here where he grew up. Any information you can give on this matter will be appreciated.

JOHN H. MCGAUGHEY,
The Albany News.

May I add to that letter that Colonel Dyess received five citations for heroism displayed beyond and above the call of duty, and when his story is released to the American people, I feel that America will appreciate the actions and conduct of this great hero and will, at the proper time, put a marker out there to commemorate and honor the heroism of Colonel Dyess, my friend, who has passed over by giving his all to America.

Mr. DIRKSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. VURSELL].

(Mr. VURSELL asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. VURSELL. Mr. Chairman, diverting from the discussion of this bill for only a few minutes, I want in my humble and feeble way to call the attention of the Members of the House present this afternoon to the message of the Chief Executive of the United States that was read to us yesterday. I think most of the Members were astounded when the Chief Executive dared to take the chance of further dividing the peo-

ple of this country and the Congress of the United States, who want to cooperate with him in putting the winning of the war first. Talk about unity, and then let a message like that come to the Congress of the United States and to the American people, a message that doubtless will be sent to the soldiers overseas and in the armed forces in this country, attempting to tell them, who are fighting to defend this Nation, that the representatives of the people, the Congress of the United States, has forsaken them, and that the Congress of the United States is delaying action on a bill in order to prevent them from having an opportunity to vote.

His message, when read closely, raises again the question of the intellectual honesty of the one who sent that message. The war effort is being hurt and the war effort will be hurt by that message. The war effort of this country has been hurt by this terrible, infamous, pernicious campaign that has been carried on against the Members of this Congress by Earl Browder, by PM, the up-town edition of the Communist newspaper, by the Communist Daily Worker, by irresponsible radio commentators, and by politicians who want to put the winning of the fourth term ahead of the winning of the war.

Being a member of the committee that drafted this bill, I knew as the members of this committee knew that we would be subjected to this infamy. We had our choice to maintain two objectives in mind, first, to bring to the Congress an honorable and workable approach in an opportunity to give the soldiers the greatest opportunity to vote, and second, to frame that legislation if possible so that when the election was over it would have been held within the framework of the Constitution of the United States and the constitutions of the various States, and a decision would have been made so that this country could go on, whoever might be elected to the Congress and the Presidency, with the winning of the war in an effort to bring it to a successful and early conclusion and to save the lives of as many of our soldiers as possible.

We had the opportunity and we felt we had the obligation to attempt to keep faith with the American people and to attempt to keep faith with the soldiers. We did that. We are proud of that, and we resent the Chief Executive of the United States hurling the charge at the members of the committee and, in my judgment, at the majority of the Members of this body, that the legislation we brought out is a deception and a fraud against the American people and the servicemen of this country.

In my judgment, history will record that few Presidents, in fact, no President, has ever before sunk to the position where he has sent such a message to the people of this country and to the Congress of the United States. I am sorry for the good of this country that the President saw fit to be influenced by those around him to pen that message and send it to the Congress of the United States.

We know, we Members of Congress and the people of this country who have their eyes open and really know, that there has been a studious and constant attempt for the last 10 years to destroy the confidence of the people of this country in the Congress of the United States. Let me tell you that people who are following that line are dealing with fire, they are dealing with the most dangerous thing to the perpetuity of this Union and this Republic, they are pulling the house down upon their own heads, and they are taking a chance on destroying the solidarity of the people and their confidence in Congress, which will pave the way for a break-down in representative government and lead the way to dictatorship in this country.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Idaho.

Mr. WHITE. Is it not a fact that the columnists who write for the newspapers and the editorial writers are riding herd on the Congress and trying to force the Congress into the policies and plans they propose? Anyone who has the manhood to stand up they ride down with their columns.

Mr. VURSELL. There is no question about it. The gentleman is right. There has come a time in this country—and as a one-termer, a freshman only, I may be presumptuous in saying this, but I say it from the bottom of my heart—the perpetuity of representative, constitutional government rests with the courage of men in this body to fight off bureaucracy and to fight off the pressure groups of this country. The question is, Are there men and women who are independent enough financially, and who have the courage, to stand by the orderly processes of constitutional government and help keep the ship of state going, not only for our people here but for the men in the services, and for their children to come? The sooner the Congress, individually and collectively, all of them, arrive at that conclusion, the sooner we shall have an opportunity to look into the future with hope and confidence.

The idea of one man assuming to speak for all the soldiers of this country. It is the Congress of the United States that stood by the veterans when the Chief Executive that brought this message to us yesterday ran out on them after the World War, and everyone here knows that. No one has a copyright on the patriotism of the people of this country. When I was home Christmas we received a Christmas telegram that my nephew, a lieutenant, was killed in action at Tarawa. The Members of this House have almost 300 men and women in the service—and I hope Members will pardon this personal reference. I resent the Chief Executive undertaking to say to the people of this Nation and of my home district that I have been a party to bringing a bill on the floor of the House that is false to the people of this country.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. VURSELL. The President's argument in this message does not state the whole truth. It is full of half-truths. He talks about the former election law that brought only a few votes back in 1942. That act never had a chance to work. It was placed on the statute books only a few weeks, according to his own statement, before the election. He says that only a few States have cooperated, and by innuendo intends to tell the people they will not, when the fact is that those who are back of the Green-Lucas bill are in a race with the States now to try to put legislation on the statute books that will prevent the States from cooperating and sending the whole ballot to the boys overseas, as our bill provides, that will enable them to vote as they vote at home. These are two of many inconsistencies in the message. There is not a paragraph in that document that tells the whole truth about the situation before the Congress.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the very serious and able gentleman from Ohio.

Mr. ROWE. Inasmuch as we can agree that every Member of this House, and every mother and father of a soldier that participates in this great World War wants the soldiers to vote, and inasmuch as there is more than one way of devising a manner by which they may vote, does it not seem like an ulterior motive when one side will accuse the other, because his particular way is not adopted, of wanting to prevent the soldiers from voting?

Mr. VURSELL. I think the gentleman is correct.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I am glad to yield to the able and distinguished friend of the servicemen from South Dakota.

Mr. MUNDT. As I read the President's message it seems clear to me that he was trying to make a political proposition out of a highly complicated problem. I have been very busy on other committee matters, as the gentleman well knows, but it seems to me certainly that time is of the essence in the way of making the ballots available to the soldiers. The gentleman from Illinois is a hardworking, well informed, and highly respected member of his committee in charge of that bill. I am wondering what is causing the delay. Rumors were brought in the House that we were to have a chance to vote on this bill immediately after the U. N. R. R. A. bill. Who is causing the delay now?

Mr. VURSELL. I should like to answer that question. Late in November we had this bill before our committee, and attempted to vote it out. We were stopped from voting it out on a point of order. We were never able to get the chairman of the committee to call a meeting of the committee again until after the Christmas holidays. The facts are that those who have been delaying this bill have been delaying it because they want to defeat the will of this House, and the will of the people, as expressed by their Representatives from the 48 States, because they know that this Con-

gress will pass this bill if it comes on the floor of the House, and they have been delaying it, and they are the ones who are back of the delay of the bill.

Mr. MUNDT. Then it is the leadership of the President's own party that is causing the delay?

Mr. VURSELL. That is right. It is obvious to everyone that those in control of the leadership of this House on the majority side, and in the other body, and which has been the rule throughout many years, as I understand, reflect the will of the Chief Executive; so, naturally, he must be charged with delay in this legislation which he charges the Members of Congress are delaying.

Mr. MUNDT. Then I should say that the President's message is rather an eloquent matter of guilty conscience.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. VURSELL. Of course, the will of the Chief Executive through the leadership of this House has been eloquently and effectively expressed in their continuous delay and blocking of this House committee bill. Those back of the Green-Lucas bill in the other body and in this body never intend to give the soldiers a whole ballot. They do not want the soldiers to vote in the old American way. They want to give them the short, bobtailed ballot, and they want them to vote blindfolded, so to speak—a ballot with no names on it—and after they are thoroughly propagandized, as they are being propagandized now, and as they are being built up now in their hatred for the Members of Congress, in which they are getting false information weekly about our position, then those in charge will bring them the short ballot, and there will be an election day called, and the battalions will be goose-stepped up to the ballot places to vote, and they will vote the short ballot, for they will not have a chance to vote the whole ballot.

They have never intended them to vote the whole ballot, and the Army and the Navy, if this Green-Lucas-Worley bill goes through, will most likely, never make any real effort in my judgment to get the whole ballot to the soldiers overseas. They provide that the same policy shall be carried on in the camps of this country, where they know it is not necessary, and where they know the men under the absentee voting system can get a full and complete ballot if they have the opportunity to get it as our bill provides.

Mr. MILLER of Missouri. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. Yes; I yield to my distinguished colleague from Missouri.

Mr. MILLER of Missouri. It has been charged, and I think properly, that national prohibition was foisted on this country in 1917 and '18 and '19 while a great number of the boys were overseas in World War No. 1. Under the provisions of the Lucas-Worley bill, what provision, if any, is made for the soldier to express himself upon a proposal of local option in his own community?

Mr. VURSELL. There is none whatever. The soldier can only express himself by writing in the name of the President, by writing in the name of the United States Senator, and of the Congressman, if he knows it, and in my judgment this short bobtailed ballot is an insult to the intelligence of the soldiers of this country and they will be deeply resentful if that is all they are allowed to have, which is provided under the Green-Lucas bill.

Mr. MILLER of Missouri. Then under the Green-Lucas bill it will be possible to foist local option upon soldiers from various communities, and they could not be consulted about it or have a voice in it?

Mr. VURSELL. They cannot be consulted. There is no provision under the bill to vote on any local-option question.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield again to the gentleman from South Dakota.

Mr. MUNDT. Do I understand, then, by this so-called shavetailed ballot the President is advocating the soldiers are disfranchised from voting on 75 percent of the candidates that may run, and that they cannot vote for Governor or any of the other officers?

Mr. VURSELL. That is correct.

Mr. MUNDT. I would like to say to the gentleman I recall seeing in the newspapers a number of years ago, I believe, the original form of this bobtailed ballot which was run in Germany, where the voters in Germany were permitted to vote "Ja" or they could not vote. Is there something in the President's program to protect us against that type of thing over here?

Mr. VURSELL. I do not think there is anything in the President's program, or anything in the Green-Lucas bill, that will in any way prevent the false propagandizing of the soldiers if the Green-Lucas bill is passed.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. ROWE. I yield 1 additional minute to the gentleman from Illinois.

Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Ohio.

Mr. ROWE. Will the gentleman say whether or not this so-called bobtailed ballot you referred to would allow the soldier to pass upon the proposition, if sufficient States would ratify the proposal, to change the Constitution to a limitation of two terms for President of the United States? Would the soldier in that instance have anything to say about changing the Constitution in this ballot?

Mr. VURSELL. The soldier would have nothing to say and no opportunity to say what he has in mind.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. WRIGHT. Does not the Worley bill contain two sections or two titles? The second title gives every opportunity to the soldier to comply with the State laws and Federal Government that your bill does, and the only thing the Wor-

leg bill does in addition is that it brings the ballots to the soldiers which they would not be able to get from the States under the provisions of the Committee bill?

Mr. VURSELL. The only thing the Worley bill does is this. It puts that catch in there to deceive the soldiers because this iniquitous Green-Lucas bill is born of political expediency. It is a deception and a fraud. The President named the wrong bill when he said a certain bill was a deception and a fraud.

It has never been their intention that the soldier shall vote anything but the short ballot and I am sure the gentleman from Pennsylvania knows that without my telling him.

Mr. WRIGHT. If the gentleman will yield for an observation, the gentleman from Pennsylvania disagrees with him.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STARNES of Alabama. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. The gentleman from Illinois [Mr. VURSELL] has made some very intemperate utterances, so intemperate that it seems to me to be about the best illustration I have heard for a long while in support of the old saying, "He who speaks loud seldom says much."

During the course of the gentleman's remarks he talked about "shoving the ballot" under the nose of the soldiers and sailors and that they would have to vote the way they were dictated to vote. If ever there was a reflection upon the man who wears the uniform of this country it is that statement. Every one of those young men, every officer and every person who wears the uniform, is a citizen of the United States. That statement is a serious reflection upon their individual integrity and upon their motives as American citizens in exercising the great right of suffrage. The gentleman has made a lot of serious charges through the use of intemperate language. Probably after he is here a few terms he will learn to temper his thoughts a little more. I wore the uniform in the last war. There were three of us brothers. And millions of others did. I know how I would feel if a soldiers' voting bill were up in the Congress during the last war when I was in the service and if any Member, no matter who he was, made a statement that a ballot could be shoved under my nose and that I could be compelled to vote contrary to my conscience. That is a reflection upon everyone who is in the service today.

Mr. VURSELL. Mr. Chairman, I challenge that statement. The RECORD will not show I made that statement.

Mr. McCORMACK. The gentleman said they would shove the ballot under their noses and he talked about "propagandizing."

Mr. VURSELL. I stand by that.

Mr. McCORMACK. The only inference that can be drawn is that men would be compelled to vote contrary to their consciences. I do not care how a

man votes. That is not the question involved here. It is the question of trying to get, to the maximum extent possible, ballots into the hands of the men and women in the service. The bill, as reported out of the committee confines it to the States. There are 4 States that have no absentee-voting law at all. Therefore, no one from those States can vote for anybody. There are 14 States that have a primary in September. Unless that is changed between now and then, every person in the service from those States will not be able to vote for State officers or for Federal officers. There are 2 States that require a constitutional amendment to enable even the State ballot to get into the hands of soldiers and sailors. There are other States that have difficulty. The Worley bill provides for a State ballot to be distributed as extensively as possible. I stand for that. It should be done. I will agree with the gentleman from Illinois or anyone else that we should get as many of the State ballots as possible into the hands of those in the service and that the machinery of the Federal Government should be used to the fullest extent to do that. But even with that, with a State ballot only, there will probably not be more than 500,000 out of the 10,000,000 or 11,000,000 who will vote. Men may honestly differ with that and I respect their views in disagreement. Twenty-eight thousand voted the last time. I will agree that the situation was a little more difficult then.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. But the purpose of the Worley bill is to get State ballots into the hands of the soldiers and sailors as extensively as possible, and where it cannot be done, to implement it by at least allowing those in the service to vote for candidates for Federal office. We cannot provide for the blanket voting for Governors, and members of State legislatures and county offices in State jurisdictions. If we could, that would be one thing; but we can provide—and I recognize that men honestly differ on the constitutional question and I respect their views—I think to the contrary—we can provide, where we cannot get State ballots in their hands, where State ballots cannot be obtained or distributed, the Federal Government should do everything within its power to get as many State ballots in their hands as possible, and the Worley bill provides for it, that at least those who cannot vote a State ballot for any reason at all, whatever it may be, should be permitted to vote for candidates which the Congress can authorize by law that they can vote for, candidates for the office of President and Vice President and Senators in the States where Senators are to be elected, and for all of the Representatives in Congress.

Mr. MILLER of Missouri. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MILLER of Missouri. May I ask the distinguished majority leader whether or not it would be possible, under Federal law, to punish any offense that

is committed in voting for President and Vice President?

Mr. McCORMACK. In a State?

Mr. MILLER of Missouri. No, whether or not there is any Federal offense that takes cognizance of such action.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. McCORMACK. I want to get the gentleman's question right so that there will be a meeting of the minds.

Mr. MILLER of Missouri. I am asking the gentleman whether or not there is anything in the Federal Corrupt Practices Act at the present time which would punish for an offense committed in the election of President or Vice President.

Mr. McCORMACK. In the Federal Corrupt Practices Act?

Mr. MILLER of Missouri. Yes.

Mr. McCORMACK. What has that got to do with this?

Mr. MILLER of Missouri. I want to call the gentleman's attention to the fact that there is no offense that can be committed in voting for President or Vice President. Any unmitigated fraud could be committed and it could not be punished.

Mr. McCORMACK. I do not see where that has any relevancy to the matter I am discussing, or to the legislation that has been under discussion by the gentleman from Illinois.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. As a matter of fact in 1932, there were several indictments in the United States District Court for the Southern District of New York and they were prosecuted and convictions were obtained for frauds committed in the Presidential election of 1932.

Mr. MILLER of Missouri. But they were under an old statute passed in 1863.

Mr. McCORMACK. Well, this is all very interesting, but I do not see where it is relevant to the bill we are discussing now.

Let us assume for example that a State refused to set up machinery to elect electors for President; refused to set up machinery to elect United States Senators; refused to set up machinery to elect Representatives in Congress; does the gentleman mean to say that the Congress of the United States could not provide for the setting up of machinery for the voters of that State to vote for Representatives in Congress and for electors for the President? Certainly, in this emergency, the Congress of the United States has the power to pass a law giving to those in the service the ability and the authority under law to vote at least for candidates for national office.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. MICHENER. I quite agree with the gentleman as to the last conclusion, but it is ineffective and useless unless it is implemented. I contend, and I think the gentleman will agree with me, there is no possible way whereby a Federal vote returned to a State, may be counted in

the total of the elections, or find its way into a State ballot box under Federal law, unless the Federal Government sets up election boards throughout every State in the Union where that is necessary. Is it contemplated by the Worley bill that the Federal Government would set up election boards in the several precincts so that Federal ballots might be counted?

Mr. McCORMACK. Well, I think there is a great deal to what the gentleman says.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. STARNES of Alabama. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. McCORMACK. But there is one further observation I think my distinguished friend from Michigan [Mr. MICHENER] will agree with, and that is the thing we call public opinion. Public opinion, I think, would assert itself in such a convincing manner that the people of the several States would want to have the votes of those in the service counted.

Mr. MICHENER. Will the gentleman yield right there?

Mr. McCORMACK. I yield.

Mr. MICHENER. I think that is true, but that is action by a State. I have gone so far as to write my own State, my own Governor, some time ago, to ask my State and my legislature to amend the law so that if there was a Federal ballot and a State ballot, there would be some place along the line where the two ballots could come together and be counted; because if there is no such action on the part of the States, and if the Federal Government does not establish election boards in every precinct, in every State where no such provision is made, then it is a futility to even talk about a Federal ballot.

Mr. McCORMACK. I think the gentleman from Michigan will agree that no State can take action until they know definitely what the Federal law is going to be.

Mr. WRIGHT. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. WRIGHT. The gentleman from Illinois charged that our fight for a uniform ballot was politically motivated. In connection with that, when we were before the Rules Committee trying to get a rule that would bring us a roll-call vote on the uniform ballot, and the so-called State ballot, the gentleman from Illinois opposed such a rule.

Mr. McCORMACK. Well, I leave that.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GORE. Our distinguished friend from South Dakota [Mr. MUNDT] made a statement which I am sure he did not mean, as it sounded to me or as I interpreted it. I understood him to compare the effort, which is honest on my part, trying to get a ballot to the soldier to facilitate the exercise of his franchise, to the Hitler ballots on which no one could vote except "Ja." If I misunderstood the gentleman, I am sorry. I am

sure he did not mean that, if I understood him correctly.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. STARNES of Alabama. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GAVIN. Will the gentleman yield?

Mr. McCORMACK. Under no conditions, if I had any time, would I refrain from yielding to my friend from Pennsylvania.

Mr. GAVIN. And there is nobody in the world I would rather interrogate than the distinguished, fair gentleman from Massachusetts.

Mr. McCORMACK. There is no one whose interrogation I fear more.

Mr. GAVIN. With that, I will proceed to ask the gentleman whether the Worley bill—if they did have Federal ballots provided, could they be counted by any State, or would it be necessary to count them? The States could accept them or reject them, approve or disapprove. This would be the States' right.

Mr. McCORMACK. I cannot conceive, in answering the gentleman's question, that the people of any State would permit such a situation to exist between now and next November.

Mr. GAVIN. Suppose for the sake of the argument, for instance, the State of Wisconsin, where 40 percent of the vote is represented by the Progressive Party, and they are not considered on the Federal ballot. We recognize immediately that Wisconsin is not going to recognize the Federal ballot. I only cite that as an illustration of the complications that might arise. So the men in the service would actually think they were getting a ballot and could vote, whereas in reality they could not vote at all.

Mr. McCORMACK. In view of the fact that the gentleman referred to Wisconsin, I will yield to another gentleman from Wisconsin to answer that, as I notice he wants me to yield to him.

Mr. McMURRAY. I would like to say to the gentleman who mentioned Wisconsin, that 40 percent of the vote in Wisconsin is not Progressive by any kind of a count. Second, that every ballot sent back to Wisconsin, whether it be in Progressive, in Democratic or Republican districts, will be counted, and every vote of every soldier will be counted in Wisconsin. I say that irrespective of the fact that the Republican Party is in control of every State political office. They have the governorship; they have over three-quarters of the offices.

Mr. GAVIN. Is the gentleman speaking for the Governor and the legislature of that State when he makes that statement?

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. McCORMACK. This is so enjoyable, we have created such an atmosphere of good feeling in the matter, let us talk for a while.

Mr. STARNES of Alabama. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

The CHAIRMAN. To whom does the gentleman from Massachusetts yield?

Mr. McCORMACK. I yield to both these gentlemen, the gentleman from Wisconsin and the gentleman from Pennsylvania.

Mr. GAVIN. I may say to the gentleman from Wisconsin that the percentage would not make any difference, whether it was 65 or 40.

Mr. McMURRAY. That is correct.

Mr. GAVIN. Nevertheless the Progressive Party of Wisconsin would not be recognized and its name would not appear on the ballots whatever percentage of votes they might command.

Mr. McCORMACK. Is this colloquy over?

Mr. GAVIN. Yes.

Mr. McMURRAY. No.

Mr. McCORMACK. I yield to my friend from Wisconsin.

Mr. McMURRAY. I do not know what the percentage is. I do not say that is against the gentleman's argument. The party machinery, the political machinery, let us say, the State political machinery in Wisconsin operates fairly and squarely.

Mr. McCORMACK. I understand that the name of the party can be written in anyway; that is my understanding.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MUNDT. I just want to take a very short time to straighten out the worries of my friend from Tennessee. I certainly was not trying to accuse him of foisting any particular short ballot on the American people because I do not know even where he stands on this problem. My comment was—I will repeat it for his benefit—that the only short-tail ballot I had ever seen was in a newspaper depicting the ballot used in Germany where they permitted a vote "Ja" or not at all; and I ask the gentleman if proper precautions are being taken so that would not be done in this country, or if it were done there would also be a square where you could vote "no."

Mr. McCORMACK. I am glad I yielded to my friend so he could clarify the situation.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. The gentleman raised the objection that there is no machinery to compel the States to count the votes.

Mr. GAVIN. We are not raising any objections; we are really asking the question.

Mr. MARCANTONIO. I wonder if the gentlemen who have been opposing the recent Worley bill which does not provide machinery for the counting of the ballots will support the original Green-Lucas-Worley bill which would compel the States to count the soldiers' ballots.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GAVIN. I may say to the gentleman from New York that if the Federal ballot goes through his party would not be represented.

Mr. McCORMACK. Let us not descend to a level of personal attack.

Mr. GAVIN. The American Labor Party would not be on the ballot.

Mr. McCORMACK. The debate has been very interesting so far, but I hope it will not become one of personalities.

Mr. GAVIN. The gentleman's party would not be on the ballot, is what I am trying to point out.

Mr. MARCANTONIO. My party is the American Labor Party.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. STARNES of Alabama. Mr. Chairman, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. May I say that my party is the American Labor Party. If we had a dollar for every Republican who has sought our nomination in New York we would have a campaign fund large enough to elect a substantial number of American Labor Party Congressmen.

Mr. McCORMACK. Mr. Chairman, I shall have to decline to yield further.

In conclusion let me say that the gentleman from Mississippi [Mr. RANKIN] has been presenting his views on the merits of the bill he supports. I say that in all fairness. He raises the constitutional question and also the question of States' rights. That is arguing the proposition on its merits. I have no quarrel with any man who argues on the merits. I do not think the gentleman from Illinois intended to make the statement he did, because I believe he did not really mean to leave it—"shove it under their noses."

My reason for taking the floor was not so much to discuss the merits of the two bills as it was to ask that in the future discussion of them let us at least be temperate and confine ourselves to the merits, one side or the other, of both bills.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. DIRKSEN. Mr. Chairman, I yield 20 minutes to the gentleman from South Dakota [Mr. CASE].

LET THE PRESIDENT LEAD WITH TEMPERATE SPEECH

Mr. CASE. Mr. Chairman, I had no intention of discussing the soldiers' vote situation when I asked for time this afternoon. In view of the turn the discussion has taken, however, I do want to make one or two observations.

The distinguished majority leader in his closing statement made a plea for temperate remarks. In all sincerity and with all respect I want to suggest to the majority leader that he convey that suggestion to the Chief Executive of the United States. If the tenor of the debate this afternoon has turned upon some intemperateness supposedly suggested by a remark of the gentleman from Illinois [Mr. VURSELL] let me call your attention to a couple of phrases in the message of the President which was read to the Congress yesterday after-

noon, a special message, a message signed by the President at the White House addressed to the Congress in his capacity of President of the United States in which he said:

The need for new legislation is evident if we are really sincere and not merely rendering lip service to our soldiers and sailors.

As if there were Members, many Members of the Congress, who were not sincere and who render only lip service to the boys, to their own sons or nephews, in fact, who are soldiers and sailors.

And again the President in his message said:

Some people—I am sure with their tongues in their cheeks—say that the solution of this problem is simply that the respective States—

And so forth. Now, there are many Members who have tried particularly to be temperate in their remarks during the trying times we have passed through the last few years when we have been debating questions involving the safety and security of the United States and I think I can lay claim to being among those Members of this body. I have not indulged in vituperative remarks or in hymns of hate, but I can say today that it has bothered me many times that so many messages of the President have carried phrases like those quoted which imputed a lack of sincerity in those who disagreed with him in any respect.

As I have gone down to the Lincoln Memorial and read the second inaugural address of the martyred President the thing that has impressed itself upon me was the spirit of the great Lincoln. Although they were in a great struggle the people of those times were moderated, led, and inspired by the gentle spirit of a Lincoln who could say that men were fighting on opposite sides yet praying to the same God, and recognize the sincerity even of those who were fighting against the forces he was commanding.

If there was anything it seemed to me this country needed in these trying times it was a leadership that would command unity by the humility of the man who spoke and by the confident yet temperate remarks of his leadership.

Unity is not commanded and will never be produced in this country by name-calling.

Unity will never be produced by proclaiming that all those who are opposed to you take their positions with their tongues in their cheeks, are economic royalists or whatever other title seems to most discredit them at the time.

We can have unity in this country, we can prosecute the war with one mind when there is leadership that respects and directs its appeals to the common sense and the fair-mindedness that exist in the average American citizen.

In the address which was read to us yesterday the President said:

I consider such proposed legislation—

Referring to these proposals for preserving the right of the soldiers to vote the State ballot—

a fraud on the soldiers and sailors and marines now dying and fighting for us and all our sacred rights. It is a fraud upon the American people.

He was referring to the proposal that the soldiers and sailors be given an opportunity to vote the State ballot, the complete ballot they would have an opportunity to vote if they were at home.

Now, personally I have not been very well satisfied with either proposal that is before this Congress, either the bob-tailed ballot or the mechanics that have been proposed to get the regular ballot to the soldiers and the sailors.

Personally, I have felt that the United States Government as the party which had destroyed the opportunity of a soldier or a sailor to cast a normal ballot had a responsibility for restoring what it had destroyed and should do whatever is necessary to insure an opportunity be given the soldier or sailor to cast the ballot he would have if he were at home.

I want to comment, however, on the President's suggestion of fraud. There could be no greater fraud committed upon the soldiers and sailors, in my humble estimation, than to give them a bob-tailed ballot provided through machinery which cannot be recognized under the law or the Constitution governing the duly constituted election officials, hence which could not be counted.

If you say to the soldier or sailor that you are going to give him a ballot to vote that implies the right to have that ballot counted.

I have not gone into the law on this question personally. I merely know what I have read in the newspapers and what I have heard, but I have read and heard that the State of Wisconsin, for instance, has a statutory requirement that the election officials may not count a ballot which has not been provided by the officials of the State of Wisconsin itself. If that be true, then the judges of election in Wisconsin would be guilty of a crime under the laws of their State if they were to count ballots which had not been so provided. Public opinion might want them counted; public opinion would want them counted but that would not protect the election officials who violated the law nor settle the result in close contests.

I have not investigated the constitution of the State of Texas, but I did read the other day in *The Window Seat*, a column prepared by the Honorable W. D. Jamieson, a former Member of this body, a Democrat from Iowa, which appears in a great many newspapers in this country, that he was surprised to learn that the Constitution of the State of Texas prohibits the counting of absentee ballots, prohibits the counting of any ballots except those that are provided by the State authorities of the State of Texas in the regular way. Further than that, Mr. Jamieson said that the Constitution of Texas provides that that constitution can be changed only by amendments proposed at a regular session of the Texas Legislature, that that regular session has already taken place, so that under the Constitution of the State of Texas there is no way for them to adopt a constitutional amendment that would permit the election officials of the State of Texas to count a ballot provided by any other source than the duly constituted officials of the State of Texas.

I have not investigated those matters myself, as I have stated, but if these things be true, I say there could be no greater voting fraud committed upon the soldiers and sailors than to hand them a bobtailed ballot provided by the Federal Government when the State constitutions and the State laws say those ballots cannot be counted when they come back home.

That would be fraud.

Now, then, let me repeat that I think the responsibility does rest upon us to provide some way for the regularly constituted ballots to get into the hands of every soldier and sailor in order to restore the opportunity which has been destroyed by reason of the Federal service of that man. And no one should be accused of insincerity who seeks to discharge that responsibility.

Mr. MUNDT. Will the gentleman yield?

Mr. CASE. I yield to my colleague from South Dakota.

Mr. MUNDT. At the opening of the gentleman's remarks he stated he was disturbed by the occasional use of intemperate language engaged in by the Chief Executive in addressing Congress, and I share with him that alarm. The gentleman stated that the President had made certain comments in a message which he signed as President of the United States. I have an alarm of mine in connection with this growing out of what seems to me to be an almost prophetic prelude to the time when again in this country we might become accustomed to refer to our Chief Executive with the use of the pronoun "we," because in that message, though it was the President, at one time he referred to himself as speaking for the soldiers and sailors of the country as Commander in Chief, at another place he said he was speaking as the President of the United States, and by a quick change he spoke again as an interested citizen. I simply want to observe that I hope even if the fourth-term drive is successful we shall not once again in this country use the collective pronoun "we" in referring to our ruler.

Mr. BUFFETT. Will the gentleman yield?

Mr. CASE. I yield to the gentleman from Nebraska.

Mr. BUFFETT. With all this machinery that the Federal Government is going to create, what machinery is being created to take those boys full information about this election, information about both sides of the controversy? No jury would attempt to bring in a verdict without hearing testimony from both sides. The soldiers and sailors have had frequent messages from the President carried by radio all over the world, as well as on his trips. Have there been any messages like that from the opposition party or will there be provision for it? Is that in this bill anywhere?

Mr. CASE. I am sorry, I cannot answer the gentleman's question. I have been working on the independent offices appropriation bill and I am not acquainted with that matter.

Mr. BONNER. Will the gentleman yield?

Mr. CASE. Is the gentleman a member of the committee reporting the voting bill?

Mr. BONNER. Yes.

Mr. CASE. I yield to the gentleman.

Mr. BONNER. The gentleman will find where any Government agency, radio, or any other means is used to send information to the troops both sides will be given equal time.

Mr. TABER. Will the gentleman yield?

Mr. CASE. I yield to the gentleman from New York.

Mr. TABER. The situation is all messed up and people are beginning to believe right now that that is not what is going to happen because at this time in the official publication, Stars and Stripes, is being carried all the propaganda and all the intemperate language that has been indulged in by the Chief Executive on this and other occasions. That is the reason for the fear of people that there will not be fairness in getting the message across to the soldiers.

Mr. CASE. I appreciate the contribution that the gentleman has made.

Mr. Chairman, I would like now to turn to the bill immediately under consideration, the Independent Offices appropriation bill. As has been said by the two ranking members on the Appropriations Subcommittee, the distinguished gentleman from Virginia [Mr. WOODRUM] and the distinguished gentleman from Massachusetts [Mr. WIGGLESWORTH], this is the largest of the regular appropriation bills in normal times. It is not as large as the Army or Navy bills under present circumstances. However, this bill has not entirely escaped the impact of war increases. That is particularly true because this bill carries appropriations for the United States Maritime Commission.

The bill as it comes before us proposes to appropriate a total of \$8,500,590,352. This is an increase of \$5,627,000,000 over the bill of last year, but almost an equivalent amount, in fact a little more than that amount, is included in the bill for new ship construction by the Maritime Commission. The bill carries an increased authorization for the Maritime Commission of \$5,700,000,000 approximately, for the building of ships.

VETERANS' ADMINISTRATION

In addition, the bill carries very large items for the Veterans' Administration, to which attention has already been directed. The Veterans' Administration has one increase alone of \$250,000,000 for national service life insurance, and \$65,000,000 for pensions and compensation. These two items are the increases for the corresponding items in the bill a year ago.

There is another thing which is found all through this bill, and that is the increase due to the War Overtime Pay Act.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I notice the gentleman's interest in a medical and nursing service in the Veterans'

Administration. Was he satisfied that the Veterans' Administration would secure all the necessary doctors and nurses without having a permanent corps?

Mr. CASE. I may say to the gentlewoman that personally I was not satisfied. We did query General Hines, the head of the Veterans' Administration, as the hearings will show. We had some discussion that was off the record. I think the Administrator testified that under a recent order of the President it was planned to permit doctors who have commissions in the Army or the Naval Reserve to be brought into the Federal service under their commissions and assigned to the hospitals. However, I am informed that in actual practice that is not working out, and for this reason:

An instance was brought to my attention of a dentist who has a commission as a lieutenant colonel in the Medical Corps of the Army. If he went into the Regular service, he would be rated a lieutenant colonel; that is, the Reserve commission he now holds is lieutenant colonel. Under this order, if he continued in his service in the Veterans' Administration, he would be rated there on the basis of a special rating that is assigned to certain grade positions by the Public Health Service and the Veterans' Administration, and the requirement would be that he go in as a captain and serve as a captain. Obviously, it is unfair to that particular man to ask him to serve as a captain when he already holds a Reserve commission as lieutenant colonel.

You multiply that by other cases, and you can see that the present system is not satisfactory.

The reason for trying to have some status established for the doctors and nurses, as I understand, in accord with the bill which the gentlewoman from Massachusetts has introduced, is to make it possible for the Veterans' Administration to preserve an adequate number of doctors and nurses of competent quality to give proper attention to the veterans. Obviously, if they are subject to call into the Army it drains the pool, and the Veterans' Administration loses them; to the proposal for calling them into active duty. But if they are to serve in and be detailed to the Veterans' Administration, in all justice they should be detailed on the basis of the rank they already hold in the reserve corps.

Mrs. ROGERS of Massachusetts. Also, it seems to me manifestly unfair to have some of them in the service and some of them out, serving in the same hospital.

Mr. CASE. Yes, it creates a great deal of dissatisfaction and restlessness to have some of the men and women who are either doctors or nurses serving in uniform on the same station where there are civilians occupying the same kind of a position as far as the work they perform is concerned.

Mrs. ROGERS of Massachusetts. To get the best kind of service, you should have a regular corps and offer them some inducement to go into it. I know of the gentleman's interest in veterans' matters and it is appreciated by the veterans.

Mr. CASE. I think something should be done along the line of the bill that has been introduced by the gentlewoman from Massachusetts. I hope she will continue her good efforts in that regard.

Mrs. ROGERS of Massachusetts. As to the N. P. beds, does the gentleman feel that enough of them will be built? As the gentleman knows they require a special type of construction.

Mr. CASE. Yes. If the gentlewoman has an opportunity to look into the hearings, she will note that an item of about \$32,000,000 for construction of hospitals, of which thirty million is to be devoted to neuropsychiatric facilities is contemplated, but that that fund is not carried in this bill, due to a budgetary plan to put it into a special supplementary bill.

Mrs. ROGERS of Massachusetts. I found a very overcrowded condition in certain hospitals, which to my mind is very dangerous in nervous and mental cases.

Mr. CASE. The gentlewoman will find in the bill at about pages 225 to 227 tables showing the proposed increase in new hospitals for that type of patient and in additional beds for the treatment of that condition.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that the Veterans' Administration ought to be declared a war agency? I have introduced a bill for that purpose. That is the only way the Veterans' Administration can secure priorities and have the Administration second only to the Army and Navy as a war agency.

Mr. CASE. We found that that problem also was creating some trouble for the Veterans' Administration. They found that in the case of certain supplies they did not have a high enough priority to get what was needed. I think they are satisfied that they are getting the medicines necessary, but on other types of supplies they do not have a priority at the present time which gives them all they need for the proper care of veterans.

Mrs. ROGERS of Massachusetts. And they did not have it for the building of hospitals.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. Are funds carried in this bill for the drawing of plans for new hospital construction? I understand there is no new construction contemplated under this bill.

Mr. CASE. If the gentleman will refer to the hearings at approximately page 225 he will find rather complete testimony as to plans, and as to plans for construction. The Administrator has been directed to survey Army and Navy facilities to see what can be utilized before drawing too many plans for new construction.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. DIRKSEN. Mr. Chairman, I yield 10 additional minutes to the gentleman from South Dakota.

Mr. CASE. If I may, I should like to hurry along a little bit on the bill, with

just one further reference to the Veterans' Administration. We discussed with General Hines the problem that has been discussed from this floor many times, that of more rapid rating of the boys who are being discharged from the service. General Hines assured the committee at the time that we had these hearings, which was in early December, that he was taking steps to increase the number of rating boards; also, he was endeavoring to place contact men at points where large numbers of soldiers and sailors were being discharged, with the thought of making known to the men more clearly and rapidly their rights and entitlements under existing law. He told us that he was finding difficulty in securing competent and qualified personnel to man the rating boards that he would like to set up, but that he was working out the problem. Those Members who are interested in this matter will be interested in seeing his statement on that point.

WAR OVERTIME PAY

I was mentioning the increases in the bill and the changes in the bill when the gentlewoman from Massachusetts brought up the question of the Veterans' Administration. I hope every Member of the House will take pains to read carefully the table on war overtime compensation which appears at page 3 of the committee report. He will find that there is a total of over \$47,000,000 in this bill for overtime.

If you will also turn to the concluding pages of the report and note the table of increases or decreases, you will find plus signs after many agencies, comparing the appropriation with last year, but out of the 30-odd agencies there are only four where those plus signs represent a real increase of appropriations over last year. In every other case the plus sign is for an amount which is less than the amount of overtime pay required by that agency.

The committee's hands were tied in the handling of this overtime pay. The Congress has passed what is known as Public 49, the Wartime Pay Act, and this act specifically provided by a mathematical formula a certain increase in pay for work performed in excess of 40 hours per week. Under the authorized interpretation of that, overtime is figured even down to a per diem basis, so that even if an individual does not work 40 hours in a week but works more than 8 hours a day he can get the proportionate increase. Personally, I do not see the logic in that ruling, but it exists.

It was further brought out in the hearings that when the Congress has actually passed a law which prescribes a rate of payment for an employee or officer of the Government the Congress is bound to pay that amount to that individual, or he or she can go into the Court of Claims and secure a judgment against the Government. Consequently, we found ourselves obligated to make these appropriations to cover the estimates for the overtime pay.

It should also be pointed out that the figures which are shown in the totals of the bill for the prior fiscal year do not include overtime pay, because there were no estimates available to the Appropriations Committee a year ago when those

bills were passed. In every instance the agencies before us testified that they were keeping track of the overtime and that a supplemental or deficiency bill would be asked before this session is concluded to take care of the deficiencies caused by overtime pay in the current year. Some agencies, a very, very few of them, are attempting to absorb a portion of that overtime through nonappointment when they have lapses by reason of somebody leaving their agency. Only when the supplementary estimates for overtime in the current year are in, will a proper comparison be possible between last year's bill and the one now before us.

I had hoped in the time that I have taken this afternoon to discuss some of the phases of the bill with relation to the Federal Trade Commission, and also I had hoped to discuss the work of the Civil Service Commission, devoted to the procurement of lawyers for the Federal service, and also planning activities, covered by the Bureau of the Budget and other agencies, and in connection with those matters to mention some of the amendments which I may offer when the bill is read for amendment. In connection with each of these matters, I shall ask permission to extend my remarks, when we get back into the House, to include certain documents in illustration of the points that I shall cover in the extension of my remarks.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. CASE. Yes.

Mr. COCHRAN. What impression did the Federal Trade Commission make upon the subcommittee?

Mr. CASE. I cannot speak for the other members of the committee, but for myself I thought that here was a lot of wasted talent. The Federal Trade Commission is an agency developed at a time when it could select its personnel carefully. It is evident from the record that during World War No. 1 they had a great deal to do with the examination of improper prices during wartime, and it also seemed to me that the experience that they had had and the studies they made could well have been used now. They got a little increase, or at least certain funds in the bill were granted to them to start a study of export trade. They received one-half of \$71,000 they requested, and they defended that request upon the basis that the antitrust Division of the Department of Justice requested them to make a study of cartels and other things affecting post-war trade conditions of the country.

While the committee was not sold on the idea that they should engage in it on the scale they asked for, in view of the request by the Department of Justice, and the citation of certain specific problems, the committee deemed it desirable to start the work so \$35,000 or \$36,000 was allowed for that purpose.

Mr. COCHRAN. Was the activity of the Commission, as well as the personnel of the Commission, working in connection with the War Production Board under the Executive order of the President brought out in the hearings, together with the outstanding achievement

of the Federal Trade Commission in making investigations for the War Production Board?

Mr. CASE. Yes, considerable testimony was given upon that, particularly the investigation of violations of priority orders. The gentleman will find a statement on that at about page 445 in the hearings and also an excellent summary of Federal Trade investigations from 1915 down to 1942.

However, I want to say that throughout our hearings I felt that every agency that came before our committee was trying to get into uniform in one way or another. As to the Federal Trade Commission, however, I do feel that there is a lot of wasted talent. They have a very high caliber of personnel and I do not think they have been used to the maximum of their possibilities in the present situation.

Mr. COCHRAN. Of course the gentleman realizes that that organization represents particularly the people of the United States, and that they are protecting the people of that State.

Mr. CASE. Yes.

Mr. COCHRAN. They are protecting the people of the United States from unfair trade practices, from false advertising, and such things. The people of the country are the ones who benefit as the result of their activity.

Mr. CASE. I wish the people of the country could have the benefit of their ability and understanding rather than being forced to accept so much that is decided by men of less experience and judgment in the office of Price Administration which deals in much the same field.

I had intended also to refer to the large expenditures of the Maritime Commission. Personally I was distressed by a great deal of the evidence of carelessness in the early stages of the shipping program. I was particularly distressed the other day when the Comptroller General found the Maritime Commission guilty of paying a great deal more for certain ships than the appraised value of those ships, and particularly, in view of the fact that it had the right to commandeer those ships, and could have taken them for the Government under the War Powers Act. Personally I would like to have seen at least half of the new construction fund asked for by the Maritime Commission made not available for expenditure until the middle of the summer, when we could have a better idea of the outcome of the present war operations and the submarine situation. However, testimony was given by Admiral Land that it was necessary to place orders at the present time so that raw material and interior fittings might be scheduled, and so that the shipyards may continue without interruption until our heavy overseas operations are completed. Also, he said that cancellation clauses were included in all contracts, so that it will be possible for the Government to retrieve unnecessary expenditures, in case conditions change.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. CASE. Mr. Chairman, I yield myself 2 minutes more.

Mrs. ROGERS of Massachusetts. Is the gentleman satisfied now that the Veterans' Administration is securing enough personnel for the rating of cases? I notice that the gentleman asked General Hines if he heard the remarks on the floor made by myself, in which I remember I stated the claims were not rated promptly, and the men were not receiving justice under the laws that we have passed. General Hines said that the board and the hospitals would take care of that. I am finding that there is a shortage in the regional offices, so that the men going to the regional offices are not having their cases rated as they should be. I feel more personnel should be sent there. Many old claims have not been touched.

Mr. CASE. The bill proposes funds for increasing the personnel at the regional offices to handle the problem. General Hines said that he was arranging for additional contact officers, and some of them have already been dispatched to regional offices.

Mrs. ROGERS of Massachusetts. The Civil Service was to give priority in some cases, but that has not been done.

Mr. CASE. Undoubtedly the procurement of this personnel should be speeded up. The fact is that it is a difficult matter to get an increase of competent personnel to serve on rating boards, at the time we are getting this large bulge of work.

PUBLIC WORKS PLANNING

Mr. Chairman, it will be remembered that the National Resources Planning Board was abolished last year. As evidence of the coordination that can be accomplished and is being accomplished in the planning of public works, I place in the RECORD the following quadripartite agreement:

PROCEDURE TO INSURE COOPERATION IN THE PREPARATION OF REPORTS ON MULTIPLE-PURPOSE PROJECTS

To permit agencies of the Departments of War, Interior, and Agriculture, and the Federal Power Commission, to cooperate more completely in the preparation of reports on multiple-purpose projects and to correlate the results to the greatest practicable extent, the following procedure is established:

1. When investigations on multiple-purpose projects are ordered by any one of the agencies named above, each of the others will be advised.

2. To insure that prompt contact is established by field offices, whenever the Chief of Engineers, the Commissioner of the Bureau of Reclamation, the Land Use Coordinator of the Department of Agriculture, or the Chairman of the Federal Power Commission shall determine that his organization has a direct responsibility in a project to be investigated by another agency, he shall notify the latter to that effect.

3. In all cooperative projects the field offices will be instructed to communicate and confer with each other to:

(a) Determine what pertinent data is in existence and to arrange for the interchange of such data so as to avoid duplication of effort.

(b) Determine what pertinent data each agency intends to secure for its own purposes and to arrange a schedule which will avoid

duplication and facilitate the concurrent submission of reports so far as practical.

(c) Arrange for interchange of information throughout the preparation of reports.

(d) Arrange for conferences between field offices during preparation of reports and when reports are completed and ready to forward. Each office will be authorized to submit its comments on the reports of other agencies, such comments to be forwarded with the reports.

4. Conferences will be held in Washington not less often than once each calendar month between the Chief of Engineers, the Commissioner of Reclamation, the Land Use Coordinator, and the Chairman, Federal Power Commission, or their duly authorized representatives, for the purpose of discussing the results of studies and investigations, adjusting differences of opinion, and promoting ways and means for the implementation of this agreement.

5. All work done by one agency at the request of and for the use of a second agency will be paid for by the latter; all work performed by one agency for its own purposes, even though the resulting data are made available to a second agency, shall be paid for by the former.

6. Information obtained by one agency from another will be treated as confidential until released by the giving agency or until the final report is released.

E. REYNOLD,
Chief of Engineers,

H. W. BASHORE,
Commissioner, Bureau of
Reclamation.

E. H. WIECKING,
Land Use Coordinator,
United States Department of Agriculture.

LELAND OLDS,
Chairman, Federal Power Commission.
DECEMBER 29, 1943.

PROCUREMENT OF ATTORNEYS FOR THE FEDERAL SERVICE

Mr. Chairman, under permission granted by the House, I place in the RECORD a letter and certain tables prepared by the Civil Service Commission to answer questions I submitted regarding the operations of the committee on legal personnel, successor to the board of legal examiners which was the subject of controversy last year.

UNITED STATES
CIVIL SERVICE COMMISSION,
COMMITTEE ON LEGAL PERSONNEL,
Washington, D. C., January 22, 1944.

Hon. FRANCIS CASE,
House of Representatives.

Dear Mr. CASE: This is in reply to your letter of January 18, requesting certain information about the legal examining work. I am glad to supply the material requested, which gives, I believe, an accurate picture of the operation of the system which has been in effect.

You desire information on three numbered points. I shall set forth each point as it appears in your letter and follow it with the pertinent material.

1. What do the latest figures show comparatively, on the distribution of legal employment both as to distribution of residence and distribution of college training?

I assume that by college training you have reference especially to law school training, for which figures have been collected. It would be necessary to go to the applications of the individuals approved for appointment in order to compile information concerning undergraduate college work.

The attached tables contain the following data: Tables Ia and Ib, the States of legal residence of persons approved for appointment to attorney positions during the past

year; tables IIa and IIb, the law schools from which these persons graduated; table III, the law schools of persons listed upon the attorney register; table IV, the States of legal residence of these eligibles; table V, the status of the attorney register on December 31, 1943; and table VI, certain comparisons with regard to the geographical distribution of attorneys approved for appointment during succeeding periods, beginning July 1, 1941. Figures for earlier periods are not available, since statistics of appointments to attorney positions were not kept separately before the establishment of the Board of Legal Examiners.

(NOTE.—Only tables Ib, III, IV, V, and VI are placed in the RECORD as they cover the pertinent points involved.)

It should be noted that in distinguishing upon these tables between register appointments and nonregister appointments, the former have been made to embrace all appointments of persons listed upon the lower-grade attorney register, including those to positions in the higher grades for which the use of the register is not required. Table V shows the number of such appointments. The register became effective February 8, 1943.

Table VI is perhaps the most significant with respect to the comparisons you have in mind. The regions which are designated upon it were determined with reference to their significance for the purpose in hand. The Northeastern States, for example, are those within relatively easy reach of Washington, from which attorneys seeking positions in the Government have in the past secured an advantage over others who could not reach the Capital with equal facility.

It is worthy of note that for the States east of the Mississippi River the percentage of eligibles upon the attorney register, shown by smaller regions in the last column, is 66.1 as compared with a population percentage of 68.95 and a percentage of lawyers of 72.04.

For the Western States the corresponding percentages are 33.9, 31.05, and 27.90. The percentages of appointments from the register in the same two regions are 68.3 and 31.7.

There is a variation between population distribution and the distribution of eligibles and of appointees because not all States produced their quotas of qualified eligibles and because the selection and availability of eligibles for appointment are affected, respectively, by the record of their qualifications and by economic conditions, which vary somewhat from State to State.

Tables II and III show a wide distribution of the law schools from which the persons approved for appointment and those listed upon the attorney register have graduated. A considerable number of attorneys who did not attend law school but prepared for the bar in law offices is also shown.

The proportion of attorney appointments going to the graduates of certain leading eastern law schools, which has commonly been thought to be unduly large in the past, has diminished since the legal examining system began operation. The institutions most often mentioned in this connection are Columbia University, Harvard University, Yale University, and the University of Pennsylvania. During the fiscal year 1942 their graduates received 26.6 percent of the approvals for appointment to attorney positions. During the next 6 months the corresponding percentage was 16.2, and it has not varied significantly with respect to nonregister appointments since that time. Of the appointments made from the attorney register during the calendar year just ended, the graduates of these schools received 16.3 percent. The percentage of such graduates upon the register is 13.6 percent. Since these schools, with the exception of Yale, are large in normal times and train a substantial percentage of the Nation's lawyers,

the proportion of appointments going to their graduates is not likely to fall greatly below its present level.

2. I would like to know what changes in procedure, if any, are probable or are being practiced by the committee on legal personnel as contrasted with that of the board of legal examiners.

As you know, when the present fiscal year began it became necessary to make some provision for the legal examining work in the absence of an appropriation for the board of legal examiners. In Executive Order 9358, dated July 1, 1943, the President, "pending action by the Congress with respect to the continuance of the board of legal examiners," vested in the Civil Service Commission the entire authority to administer the civil-service laws in their application to attorney positions, giving the Commission full discretion to determine the necessary regulations and procedures, including discretion to follow the provisions of Executive Order 8743, as amended, under which the board of legal examiners had been functioning. The Commission established the committee on legal personnel as an advisory body, replacing the former board.

There are no conflicts of purpose or of fundamental policy between the Civil Service Commission and the board of legal examiners. The board simply developed somewhat different mechanisms from the Commission's for achieving the same ends. The differences from the Commission's methods have been less in wartime than they might have been in normal times. Now that a partial return to normal civil-service procedures is being made, the problem consists of establishing procedures for handling the legal examining work under the Commission's authority which accomplish the same purpose in a manner which fits more closely into the usual civil-service methods but retains the principal values of the board's methods.

In the tentative provision which the Civil Service Commission has made for carrying on the legal examining work there have been the following departures from the arrangements that would have prevailed under the board of legal examiners:

(a) The actual work of administration has been carried on by a legal examining section in the Commission's Examining and Personnel Utilization Division, with responsibility to the chief of the division and, through administrative channels, to the Commission. The chief of the section has been designated executive secretary to the committee. The Commission and its executive officers have, when necessary, determined the actions to be taken in situations that could not be satisfactorily handled under existing regulations.

(b) Civil Service Commission policy as it has developed with reference to certain matters has been applied as a matter of course in the conduct of the legal examining work. For example, the examination for the attorney register has been reopened in the manner prescribed by the Commission to honorably discharged members of the armed forces in the present war and to other veterans possessing disability preference.

Plans for the future conduct of the legal examining work are now being prepared by direction of the Civil Service Commission. Changes from present practice will depend upon the content of these plans as finally approved. The advice of the committee on legal personnel is, of course, being sought.

3. What problems of procedure present themselves if the committee on legal personnel continues to function within the framework of the Civil Service Commission and under the counsel of the advisory committee? Your letter specifies particular questions, relating to the choice between ranked and unranked registers, geographical apportionment, and the observance of veterans' preference, upon which you wish information.

The problems which are of greatest general interest fall into two categories: (a) those relating to registers established by competitive examination for lower-grade positions and (b) those surrounding the selection and examination of attorneys for positions in the higher grades.

a. Problems relating to lower-grade registers:

The present attorney register for lower-grade positions is, as you know, "unranked" in the sense that the names of all the eligibles listed have been certified to appointing officers from the outset, with veterans clearly designated and the duty to prefer them for appointment expressly stated, but with no order of appointment prescribed. "Adjective" ratings of the eligibles as "outstanding," "excellent," "good," and "fair" are, however, supplied; and appointments have in fact gone to those with high ratings in much larger proportion than to those with low ratings.

The register has been limited in size to the number required to fill anticipated vacancies. As required by Executive order, it has been apportioned among the States according to population, insofar as applicants who possessed minimum acceptable qualifications were produced in each of the States by the register examination. Not all applicants who made a minimum qualifying grade upon the written test, which constituted the first part of the register examination, could be considered further in States having a surplus of such applicants. In these States a higher qualifying grade was established. This limitation of the number to be considered further for the register made it possible to extend oral examinations to them by means of volunteer oral examining boards of lawyers.

Veterans' preference operated within each State, through the addition of percentage credits upon the written test, in determining the group to be orally examined. It was also weighed in the consideration of veterans by the oral examining boards. Those preference candidates whose qualifications were satisfactory but not high were afforded increased opportunity in some States and denied it in others as a result of the apportionment principle, to the same extent as other applicants.

The ranked register plan traditionally employed by the Civil Service Commission provides for the listing of eligibles in the order of their examination grades, after prescribed percentage credits have been allowed to veterans, without regard to apportionment. The names of those listed are not made available to appointing officers until vacancies arise. Requests which come from appointing officers for the names of eligibles to fill particular vacancies result in the certification of a limited number of names for each vacancy, in the order of their listing upon the applicable register.

Veterans with disability preference are listed at the head of each register and their names are therefore certified first. The names of other veterans are listed in order of rank among those of the other eligibles. Apportionment of opportunity for appointment among the eligibles from the several States is accomplished by regarding all appointments to the departmental (as distinguished from field) service as a unit and by withholding the certification of names of nonveterans on any register whose States of legal residence already have filled their quotas of appointments as determined on a population basis.

The names of veterans are certified without regard to the condition of the quotas from their States.

The method of certification to the departmental service just described is the method used in filling positions in Washington, D. C. In filling positions in the field service, certification is made from among eligibles residing in the area to be served by the appointee.

For example, if the area to be served by a certain appointee is a particular State, certification is made from among the eligibles residing in that State. Similarly, if the area to be served by the appointee is a region, certification is made from among the eligibles residing within that region.

The foregoing ranked register plan, if applied without modification in building future attorney registers, would work the following changes: (i) abandonment of the apportionment of eligibles upon such registers; (ii) application of the general apportionment of departmental appointments to certifications from the attorney register; (iii) larger numbers to be orally examined in some States, resulting from the application of a uniform passing mark in all of the States to the written portion of the examination; (iv) establishment of a national rank order upon each register based upon mathematical grades; and (v) extension of veterans' preference by the methods generally employed by the Commission, in place of the substituted method used in connection with the unranked attorney register.

Modifications in the ranked register plan may be made if desired in order to preserve an independent apportionment of attorney appointments and to hold the volume of oral examinations to the capacity of volunteer boards. Oral examinations upon the scale of those employed in the legal examining work are an innovation, however; and a decision is called for with regard to the desirability of their retention. The use of a separate apportionment for a particular group of professional appointments is also a departure from previous methods, upon which a judgment must be formed.

b. Selection and examination for higher-grade positions:

It has been contemplated from the beginning that unassembled competitive examinations would be given for vacancies in the higher-grade attorney positions as soon as conditions warranted. This has not been done during the war period because of the tempo of appointments. Instead, appointing officers have been permitted to propose attorneys of their own selection, whose qualifications have then been determined by non-competitive examinations, frequently including an oral examination by a three-member committee of attorneys. Under this method of selecting attorneys for the higher grades, it is not possible for the Commission to follow the normal procedure for giving effect to veterans' preference in the certification of eligibles for vacancies.

The replacement of this method of determining the qualifications of higher-grade appointees will raise some of the same questions as the determination of a plan for future lower-grade registers: The wisdom of introducing mathematical grading, the feasibility of using volunteer professional examining committees, the desirability of ranking the eligible applicants, and the most feasible method of extending preference to honorably discharged members of the armed forces, their wives, and widows.

I trust the foregoing recital supplies the information which you desire. As a supplement to it, I am attaching, in addition to the tables of figures referred to above, an excerpt from a letter which Mr. John Q. Cannon, long associated with the legal examining work of the Civil Service Commission and a member of the board of legal examiners from the beginning, wrote to Representative DIRKSEN early in 1942 with reference to past and contemplated legal-examining methods. Its statements continue to be pertinent.

Very truly yours,

RALPH F. FUCHS,
Executive Secretary.

TABLE Ib.—Legal residences of persons approved for appointment, July 1 to Dec. 31, 1943

State	Non-register	Register	Total
Alabama	4	0	4
Arizona	4	1	5
Arkansas	2	3	5
California	37	10	47
Colorado	3	5	8
Connecticut	9	1	10
Delaware	1	1	2
District of Columbia	14	3	17
Florida	4	4	8
Georgia	8	5	13
Idaho	2	3	5
Illinois	38	13	49
Indiana	11	3	14
Iowa	4	7	11
Kansas	2	6	8
Kentucky	2	3	5
Louisiana	4	3	7
Maine	1	1	2
Maryland	8	3	11
Massachusetts	20	6	26
Michigan	19	6	25
Minnesota	1	5	6
Mississippi	2	1	3
Missouri	14	14	28
Montana	2	1	3
Nebraska	3	1	4
Nevada	0	0	0
New Hampshire	2	2	4
New Jersey	7	6	13
New Mexico	3	0	3
New York	122	33	155
North Carolina	8	3	11
North Dakota	1	0	1
Ohio	26	14	40
Oklahoma	3	2	5
Oregon	5	2	7
Pennsylvania	32	28	60
Rhode Island	1	2	3
South Carolina	2	2	4
South Dakota	1	1	2
Tennessee	8	3	11
Texas	8	6	14
Utah	5	1	6
Vermont	2	0	2
Virginia	11	4	15
Washington	11	2	13
West Virginia	2	2	4
Wisconsin	4	4	8
Wyoming	0	0	0
Puerto Rico	1	0	1
Total	492	226	718

¹ Includes all appointments made from the attorney register regardless of grade and of whether the appointments were required to be so made.

TABLE III.—Law schools represented on the Federal Attorney Register, July 1, 1943

Albany Law School	8
American Correspondence School of Law	1
Arkansas Law School	1
Ashville University	1
Atlanta Law School	11
Balboa College of Law	1
Baldwin Wallace University	3
Baylor University	5
Benjamin Harrison University	1
Benton College of Law	1
Birmingham Law School	2
Blackstone College of Law	4
Boston College	3
Boston University	31
Brooklyn Law School	40
Catholic University	2
Centenary College of Law	2
Central Normal College	1
Chicago Correspondence Law School	1
Chicago-Kent College of Law	30
City College of Law and Finance	3
Cleveland Law School	5
College of William and Mary	1
Columbia University	81
Columbus University	7
Cornell University	7
Creighton University	8
Cumberland University	19
Dallas Law School	1
DePaul University	20
Des Moines University	1
Detroit College of Law	10

Dickinson School of Law	7
Drake University	8
Duke University	6
Duquesne University	5
Emory University	2
Fordham University	23
Franklin University	1
Georgetown University	21
George Washington University	29
Gonzaga Law School	4
Hartford College of Law	2
Harvard University	93
Hastings College of Law	7
Highland Park Law School	1
Houston Law School	1
Howard University	4
Indiana Law School	3
Indiana University	13
Jefferson Law School	1
John B. Stetson University	3
John Marshall College of Law (Ill.)	15
John Marshall Law School (N. J.)	4
John Marshall College of Law (Ohio)	3
Jones Law School	1
Lake Erie Law School	1
LaSalle Extension University	4
Lebanon College of Law	1
Lincoln College of Law (Ill.)	1
Los Angeles College of Law	1
Louisiana State University	4
Loyola University (Ill.)	7
Loyola University (La.)	3
Loyola University (Calif.)	3
McGeorge Law School	1
Marquette University	23
Mercer University	1
Mercer-Beasley College of Law	5
Minnesota College of Law	6
Missouri Institute of Accounting and Law	1
Nashville Law School	1
National University	24
New Jersey Law School	15
New York Law School	8
New York University	56
Northeastern University	16
Northwestern College of Law	8
Northwestern University	18
Notre Dame University	3
Ohio Northern University	4
Ohio State University	19
Oklahoma City Law School	1
Pacific Coast University	1
Philadelphia College of Law	2
Portia Law School	2
Presbyterian College of Law	1
Raleigh University	1
St. John's University	24
St. Lawrence University	4
St. Louis University	3
St. Mary's University	1
St. Paul College of Law	13
San Antonio College of Law	2
San Francisco Law School	2
South Jersey Law School	1
South Texas (Y. M. C. A.) School of Law	4
Southeastern University	7
Southern Law School	1
Southern Methodist University	6
Southwestern University	10
Sprague Correspondence School	1
Stanford University	9
Suffolk University	5
Syracuse University	1
Temple University	43
Terrell College of Law	1
Tulane University	10
Tulsa Law School	1
Union College	1
University of Alabama	10
University of Arizona	3
University of Arkansas	6
University of Baltimore	7
University of Buffalo	3
University of California	24
University of Chicago	45
University of Cincinnati	11
University of Colorado	10

University of Dayton	1
University of Denver	8
University of Detroit	2
University of Florida	7
University of Georgia	5
University of Idaho	5
University of Illinois	14
University of Iowa	23
University of Kansas	26
University of Kansas City	12
University of Kentucky	8
University of Louisville	5
University of Maine	1
University of Maryland	13
University of Memphis	4
University of Michigan	48
University of Minnesota	33
University of Missouri	14
University of Mississippi	3
University of Montana	3
University of Nebraska	15
University of Newark	11
University of North Carolina	15
University of North Dakota	8
University of Oklahoma	35
University of Omaha	4
University of Oregon	3
University of Pennsylvania	56
University of Pittsburgh	20
University of Richmond	5
University of San Francisco	1
University of South Carolina	13
University of South Dakota	6
University of Southern California	25
University of Tennessee	6
University of Texas	43
University of Toledo	1
University of Utah	4
University of Virginia	9
University of Washington	12
University of Wisconsin	27
University of Wyoming	4
Valparaiso University	4
Vanderbilt University	9
Wake Forest College	12
Washburn College	6
Washington College of Law	4
Washington and Lee University	2
Washington University	12
Wayne University	8
Weber Law School	1
Western Reserve University	19
Westminster University	1
West Virginia University	7
Williamette College of Law	2
Xavier University	1
Y. M. C. A. Law School, Cincinnati	7
Y. M. C. A. College of Law, Minneapolis	2
Y. M. C. A. Law School, Nashville	3
Yale University	27
Youngstown College of Law	1
None (law office study, etc.)	71
Not recorded	4
Total	1,846

TABLE IV.—Distribution of eligibles on the attorney register, by States

Alabama	15
Arizona	11
Arkansas	17
California	131
Colorado	21
Connecticut	31
Delaware	4
District of Columbia	12
Florida	32
Georgia	33
Idaho	11
Illinois	163
Indiana	34
Iowa	45
Kansas	28
Kentucky	22
Louisiana	21
Maine	7
Maryland	35
Massachusetts	86
Michigan	54

Minnesota	61
Mississippi	10
Missouri	64
Montana	15
Nebraska	25
Nevada	2
New Hampshire	10
New Jersey	73
New Mexico	7
New York	234
North Carolina	43
North Dakota	17
Ohio	102
Oklahoma	58
Oregon	16
Pennsylvania	162
Rhode Island	14
South Carolina	16
South Dakota	8
Tennessee	37
Texas	103
Utah	6
Vermont	3
Virginia	26
Washington	21
West Virginia	11

Wisconsin	60
Wyoming	5
Canal Zone	1
Hawaii	1
Total	2,024

TABLE V.—Status of the attorney register, Dec. 31, 1943

Number placed on register	1,461
Number added by supplements	563
	2,024
Number appointed:	
Within register grades	339
Above register grades	83
	422
Number removed:	
By military service	215
For other reasons	91
	306
	728
Available on register	1,296

TABLE VI.—Relation of distribution of appointments authorized to population and distribution of lawyers

States	Percent- age of national popula- tion	Percent- age of lawyers	Percent- age of ap- point- ments, fiscal year 1942	Nonregister appointments, calendar year 1943		Register ap- pointments, Feb. 8, 1943– Dec. 31, 1943		Percent- age on register (as of June 1, 1943)
				Total	Per- cent- age	Total	Per- cent- age	
Northeastern States ¹	32.58	42.77	43.0	619	42.8	171	40.5	34.8
Southeastern States ²	14.10	8.12	8.3	105	7.3	32	7.6	9.1
North-Central States ³	22.27	21.15	20.6	325	22.5	85	20.2	22.2
Trans-Mississippi States ⁴	20.14	17.11	15.1	203	14.1	83	19.7	22.1
Rocky Mountain States ⁵	3.36	2.56	3.8	60	4.2	20	4.7	3.4
Pacific Coast States ⁶	7.55	8.29	9.2	132	9.1	31	7.8	3.4

¹ The attorney register was established Feb. 8, 1943.² Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia.³ Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee.⁴ Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin.⁵ Arkansas, Iowa, Louisiana, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma, South Dakota, Texas.⁶ Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming.⁷ California, Oregon, Washington.

NOTES.—Appointments of residents of Territories are not included.

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. ANDERSON].

Mr. ANDERSON of New Mexico. Mr. Chairman, into the hearings of the Independent Offices Subcommittee of the Committee on Appropriations, there came two or three times a slight reverberation of the Dodd and Watson hearings. It was pointed out that the Federal Communications Commission carried these two men on the pay roll after the time when the Congress ordered them to be removed unless reappointed by the President and that the Federal Communications Commission so carried these men for the sole purpose of providing the basis for a test case against the action of the Congress of the United States.

I have intended for some time to review for the Members of Congress the procedure by which the Federal Communications Commission retained one of these men on its pay roll. Because of the statements which I made on the floor of the House when we were originally proposing the resolution to prevent Dodd and

Watson from being employed by the Federal Communications Commission, the Commission decided to hold a hearing on Mr. Dodd. The Commission pointed out that if my charges were correct, Mr. Dodd had deceived his employers and had given a very poor account of himself as a witness.

So the Commission held a hearing. I would have deemed it a pleasure to have been present at that hearing. I understand that the members of the Commission have had quite a good deal to say about the one-sided proceedings held by the Kerr committee at which a person was not confronted by his accusers. He was, however, given a chance to appear for himself. In the Dodd review before the F. C. C., I was in reality on trial by them. I was not confronted by my accusers. I was not even permitted to be present myself. I use that point so that the House may know how interested F. C. C. was in a fair hearing.

It may also interest the House to know that Mr. Dodd was represented at the hearing by Leo J. Linder, of New York. Mr. Linder appears as early as April 1939 on the Lawyers Committee on American Relations With Spain. He is on the letterhead of the United American Spanish Aid Committee. A clipping from the

Sunday Worker for December 14, 1941, reflected that Leo J. Linder, described as being chairman of the legislative council of the New York chapter of the National Lawyers Guild, spoke at a luncheon held in New York City by the National Lawyers Guild on December 13, 1941. The National Lawyers Guild is fully familiar to the membership of this House by reason of previous publicity.

Therefore, I have tried to help you set the stage by giving you the circumstances under which the hearing was conducted and the type of attorney brought to that hearing by Mr. Dodd.

Let me now go down through the official report of proceedings before the Federal Communications Commission, June 29, 1943—which I will hereafter merely call the F. C. C. hearings—and see how effectively Mr. Dodd, and particularly Mr. Dodd's attorney, Mr. Linder, refuted the charges which I made on this floor.

What is the substance of the first item? It had to do with the Conference on Pan-American Democracy and I give it to you exactly as it appears in the letter from Robert D. Leigh, Mr. Dodd's superior, to Mr. William E. Dodd, Jr., under date of May 19, 1943, under which Dodd was to be tried by the F. C. C. Here it is:

Charge 18: In a publication of November 15, 1938, called *News You Don't Get*, Mr. Dodd signed a call to a Conference on Pan-American Democracy, and on a letterhead of that organization on the following day, was listed as a sponsor of the conference.

Dodd's answer: The person concerned was not William E. Dodd, Jr., but his father.

The accuracy of the foregoing statement was sworn to by you in an affidavit made February 6, 1943. This statement was reaffirmed by you in testimony given on February 24, 1943, before officers of the Federal Bureau of Investigation.

However, it is reported that on April 13, 1943, you testified as follows before the Special Subcommittee on Subversive Activities of the Committee on Appropriations, House of Representatives:

Major ALLEN. Were you ever a member of or connected with an organization known as Conference on Pan-American Democracy?

Mr. Dodd. I am on their letterhead, yes. I might explain that my father was on their letterhead as a sponsor, and after his death, to the best of my recollection, I received a letter from that organization, together with their program and it sounded reasonable, and they wanted to know if I desired to replace my father's name on it. Without making any further investigation than reading the program I agreed to it. That was the extent of my participation in the program.

Representative ANDERSON of New Mexico. *News You Don't Get* was a pamphlet put out by the Conference on Pan-American Democracy. You were identified with that organization, were you not?

Mr. Dodd. I am now.

Representative ANDERSON of New Mexico. The Conference on Pan-American Democracy?

Mr. Dodd. My father was, also, before he died. He was a sponsor.

Representative ANDERSON of New Mexico. Did you or did your father, then, sign the publication entitled "*News You Don't Get*"?

Mr. Dodd. I don't know.

How does Mr. Dodd disprove the irregularity? Beginning on page 17 of the F. C. C. hearings his lawyer displayed exhibit G which purported to be a letter on the letterhead of the Conference—and I

want you to note the word "conference"—on Pan-American Democracy dated March 9, 1939. It lists William E. Dodd as a sponsor of the conference and was addressed to Stonleigh, Round Hill, Va., where the father was living at that time, and—perhaps the son was not. There is nothing to show where the son was living at the time the letterhead was printed. There is nothing to show what was in the letter. It might have been an invitation to his father to become a sponsor, but anyway that is exhibit G.

Exhibit H on which he based the next question, was a mimeographed copy of the minutes of the meeting held by the Council—and I hope you will note that word "council"—for Pan-American Democracy on June 9, 1941. Chairman Fly caught the switch for he said immediately. "This is the Council as distinguished from the Conference on exhibit G?" Mr. Dodd then testified that that was the first time he was formally associated with the Council for Pan-American Democracy and he proceeded to prove on pages 18, 19, and 20 that it was only after September 1941 that his name appeared on the letterhead of the Council. Now I let Mr. Dodd keep you straight himself because I cannot do it. I take now some questions and answers from page 21 of the F. C. C. hearings:

Question. Now, did you tell Mr. Graves, for transmission to the Commission, that the person concerned in a call to a conference on Pan-American Democracy in November 1938, was not you, but your father?

Answer. That is correct.

Question. So that the statement you made to the Commission was absolutely true?

Answer. That is true.

Question. Now, when you were questioned by the Kerr committee—and I refer now, Commissioners, to the second page of the charges which contain the quotations from the Kerr committee testimony—you were asked by Major Allen:

"Question. Were you ever a member of or connected with an organization known as Conference on Pan-American Democracy?" And you answered in part as follows:

"I am on their letterhead, yes." Was that statement true?

Answer. That is true.

Question. Now, you further went on to say: "I might explain that my father was on their letterhead as a sponsor and after his death, to the best of my recollection, I received a letter from that organization, together with their program, and it sounded reasonable and they wanted to know if I desired to replace my father on it. Without making any further investigation than reading the program, I agreed to it. That was the extent of my participation in the program."

Question. Was that answer fully true?

Answer. That is true.

The truth is that there is not one semblance of evidence at any stage of the hearings before the Dies committee, before the Federal Bureau of Investigation, before the Kerr committee or before the Federal Communications Commission that Mr. Dodd, Jr., was ever on the letterhead unless he was on it from the very first and unless his name was really the name on it all the time in November 1938. How does he explain it? Well, there was a little leading indulged in by his attorney, and I give it to you from page 22:

Question. Now, according to the transcript of the Kerr committee testimony, Major Allen's question was directed to the organiza-

tion known as "Conference on Pan-American Democracy." Your answer refers to that conference as an organization with respect to which both your father and you had relations. Do you regard, and did you regard, the conference and the Council on Pan-American Democracy as substantially the same organization?

Answer. Yes.

There you have it—the very simple excuse of saying that he regarded the conference and the council as the same organization. What I wonder is why he didn't produce a letterhead of the council to prove that he was on it. He knew that he was on a letterhead.

Let us look at his alibi: That he regarded and now regards the Conference on Pan-American Democracy and the Council for Pan-American Democracy as substantially the same organization.

I would like to remind this House that Mr. Dodd and his attorney, Mr. Linder, seem to know more about these organizations than does the F. B. I., which spent nearly \$300,000 of money supplied by Congress to find out about subversive organizations. I have a document issued by J. Edgar Hoover, Director of the Federal Bureau of Investigation. Its label reads:

Organizations Considered Under Special Laws 135 and 644 of the Seventy-seventh Congress.

You and I know that those were laws designed to check into seditious and subversive organizations. Under date of February 10, 1942, the F. B. I. put into that file a memorandum on the Conference on Pan-American Democracy. It shows that the first conference was held December 17, 1938, and that it voted to form a league for inter-American democracy.

I have gone through the file of the F. B. I. on this conference and another on the Council for Pan-American Democracy. I would say that Mr. Dodd's testimony that they were one and the same thing is about on the par with his other testimony and is a figment of his own imagination without semblance of truth and without foundation in fact.

The F. B. I. on April 8, 1942, put into its subversive file a memorandum on the Council for Pan-American Democracy. It shows that the council was organized by the American League for Peace and Democracy after that organization had been exposed as a Communist-front organization receiving Communist financial support. The officers were completely different from the officers of the Conference on Pan-American Democracy. Clifford T. McAvery was chairman of the council while Gardner Jackson was active in the conference and was head of its panel on labor and civil liberties. The conference was concerned with the fact that most Latin-American countries were not democracies but were partial or total dictatorships. It sought an extension of civil liberties in those nations and espoused a spirit of democracy. It was addressed by such people as Senator Mead of New York, Judge Thurman Arnold and Maj. George Fielding Eliot. The council, on the other hand, owes its origin to quite a different source. Dr. Franz Boas was

honorary chairman. He had been prominent in the Spanish Loyalist cause, in the American Committee for the Defense of Leon Trotsky, and in the World Association for the Advancement of Atheism.

A. G. Isserman was its secretary. He represented it in July 1941 about the time that Dr. William E. Dodd, Jr., says that he put his name on its letterhead. Isserman represented it only a few months before Pearl Harbor at a mass meeting in Harlem, New York, to protest the internment of a man in Jamaica who was stirring up on that island a revolt against the British Government, soon to be our ally in war. Isserman presented the case of Earl Browder in his speech. "Freedom for Browder" was one of the themes of the meeting.

Shame on Mr. Dodd for going into the F. C. C. hearings and saying that these two organizations were substantially the same organization, that one was, and I quote him:

A preliminary organization set up to call a conference on Pan-American problems.

And the other, and I quote him again: was simply a permanent form that grew out of the Conference on Pan-American Democracy.

His lawyer asked him—and you find this on page 23 of the hearing before the F. C. C.:

It was the same group?—

Mr. Dodd answered—
Same group.

His lawyer then asked:
And it was the same organization?

Mr. Dodd answered:
That is correct.

I submit to this House that if he had been under oath, he might have had reason to regret that type of false testimony. The two organizations were completely separate and he knew it.

Let me call your attention to the way in which his employer is misled. Chairman Fly says—and you find this on page 27, line 25, of the F. C. C. hearing of June 29, 1943. I asked:

Did he make clear in his testimony before the committee the difference between the Council and the Conference?

To that Mr. Linder replied—page 28, lines 3 to 9:

Mr. LINDER. Well, I think that there is nothing in the testimony which indicates a demarcation between those names. He has already testified here today that so far as he is concerned, they were one organization, that one was a permanent form of the other which was merely the preparatory or preliminary form of it, that he said that he is on their letterhead now, that his father was the sponsor originally.

My comment on Mr. Dodd's performance as a witness is summed up in the last reference of his attorney before the Commission when he says—page 31, line 21:

Mr. LINDER. As a matter of fact, what he (Dodd) said on the other occasion is so far from being consistent that it is absolutely true.

Or, to quote another charming observation of Mr. Dodd's attorney, this time from page 34, line 5:

Mr. Dodd's answer, so far from being legalistic and precise was the kind of diffused, honest answer that any man would make.

Now let us take up item B from the letter of May 19 to Mr. Dodd. Item B has to do with an earlier letter to the Honorable CLIFTON WOODRUM and Mr. Dodd's answer as follows:

Charge 15: The Daily Worker of February 2, 1938, reported that Mr. Dodd was a speaker at an anti-Nazi rally sponsored by the Community Council for the Defense of American Democracy.

Dodd's answer: This was not Mr. Dodd, but his father, William E. Dodd, Sr.

When Mr. Dodd was before the Kerr committee he was asked whether he had been the speaker or his father. He let us know that he was not certain.

I am convinced now it was his father and that there would have been no confusion if the copy of the Daily Worker had been before the Kerr committee and could have been shown to the witness.

Item C is Dr. Leigh's letter; relates to the coordinating committee to lift the embargo. Here again I think Mr. Dodd's affidavit to the F. B. I. was correct and that his statement to the Kerr committee was confused because the exhibits were not before him as he testified.

In my statement before the House I called attention to the fact that the Coordinating Committee to Lift the Embargo had put out a pamphlet and listed the name of William E. Dodd. I asked him:

Did you say that was you or your father?

Mr. Dodd replied:

I might very well have written it, because I was in favor of lifting the embargo.

Someone may wonder why we asked Dodd about these things or why I did not come to these conclusions before. You should remember that the Kerr committee did not make these charges. They were all in the memorandum which Dodd furnished the F. C. C. and were repeated in the letter sent to the gentleman from Virginia [Mr. Woodrum] on January 16, 1943, prior to the passage of House Resolution 105 and the formation of the Kerr committee. We examined Mr. Dodd on April 13, 1943. We would have been glad to have had then the testimony that he finally submitted in June to F. C. C. at its hearing, but he gave us nothing.

Now, to come to item D, I quote it in full from the letter of Mr. Leigh to Mr. Dodd:

On January 15, 1943, you furnished information to a Commission official, which was made the basis of the following statement in a letter dated January 16, 1943, from Chairman Fly to the Honorable CLIFTON A. WOODRUM:

Charge 23: The Daily Worker of January 24, 1938, reported that Mr. Dodd attended a party sponsored by the League of Women Shoppers, espousing a boycott against Japanese goods.

Dodd's answer: Mr. Dodd did attend this party, which was a fashion show held in the home of former Governor and Mrs. Pinchot, of Pennsylvania, and was staged by Washington debutantes to publicize fashions in cotton goods.

The accuracy of the foregoing statement was sworn to by you in an affidavit made February 6, 1943. This statement was reaffirmed by you in testimony given on February 24, 1943, before officers of the Federal Bureau of Investigation.

However, it is reported that on April 13, 1943, you testified as follows before the Special Subcommittee on Subversive Activities of the Committee on Appropriations, House of Representatives:

Representative ANDERSON of New Mexico. The League of Women Shoppers—what was your connection with that?

Mr. DODD. I had no connection with that. Representative ANDERSON of New Mexico. None whatever?

Mr. DODD. No. Representative ANDERSON of New Mexico. There was some mention of a committee sponsored by the League of Women Shoppers espousing a boycott against Japanese goods. You did not attend that?

Mr. DODD. Not that I recall. Representative ANDERSON of New Mexico. It was staged at Governor Pinchot's home.

Mr. DODD. That was here in Washington. I know it was my father. I recall now specifically.

Representative ANDERSON of New Mexico. Now, Mr. Dodd, before going further with the list I would like to remind you that Mr. Fly, replying to Mr. WOODRUM, said you did attend the meeting at Governor Pinchot's place. Previously you said you furnished him with information. Now you testified that you did not attend the party.

Mr. DODD. At Governor PINCHOT'S. Representative ANDERSON of New Mexico. Yes.

Mr. DODD. I did not attend. Representative ANDERSON of New Mexico. Mr. Fly, then, is just guilty of a misstatement?

Mr. DODD. I don't know how he could have stated that. There is a possibility of typographical errors.

Representative ANDERSON of New Mexico. He went on to give the description of the party that you had given him.

Mr. DODD. At Governor Pinchot's? Representative ANDERSON of New Mexico. Yes.

Mr. DODD. I am sorry, but I was not there. Representative ANDERSON of New Mexico. He was drawing on his imagination?

Mr. DODD. I don't know where he got that. Representative ANDERSON of New Mexico. Are we to judge the correctness of other things in Mr. Fly's answer by that?

Mr. DODD. I don't think so. I am not impugning Mr. Fly's motives.

Representative ANDERSON of New Mexico. No; I am not trying to impugn his motives. I just want to find out whether Mr. Fly's memorandum is based upon evidence which you furnished him or upon evidence which he got from thin air.

Mr. DODD. I presume it is based on information and on evidence that I furnished him. Not directly. I have never talked to him. This was prepared by one of his secretaries.

On that point, Mr. Dodd is asked—page 48, line 20 of F. C. C. hearings:

Question. The charge is that the Daily Worker of January 24, 1938, reported that Mr. Dodd attended a party sponsored by the League of Women Shoppers espousing a boycott against Japanese goods. Now, according to the answer made by Chairman Fly, you did attend this party which was a fashion show held in the home of former Governor and Mrs. Pinchot, of Pennsylvania, and was staged by Washington debutantes to publicize fashions in cotton goods. Did you tell the Commission that?

Answer. No.

Question. Now, you spoke to Mr. Graves before Chairman Fly sent that letter, didn't you?

Answer. I did.

Question. At the time you spoke to Mr. Graves, Mr. Graves made notes in his own handwriting?

Answer. That is correct.

Question. I show you exhibit D, and I ask you whether exhibit D are the handwritten notes made by Mr. Graves at the time he interrogated you?

Answer. That is correct.

Question. I refer now to page B of Mr. Graves' handwritten notes—and I refer the Commissioners to item W on page B. Item W reads as follows: "League of Women Shoppers, Washington, attends party for boycott Japanese goods January 24, 1938," and then this comment: "Yes, father was speaker." What did you tell Mr. Graves?

Answer. I told him that my father was the speaker at this party or dress fashion show held by the League of Women Shoppers in Washington.

Question. Did you tell him that you were there?

Answer. No.

Commissioner CRAVEN. Let's get that explained. I understood from reading the answers that you read of Mr. Graves' notes that he said he did attend and his father was the speaker. Will you explain that more clearly?

Mr. LINDER. I can't explain it. I have no explanation at all for it.

There is a lot more testimony of that point. Mr. Dodd tried hard to explain how the shorthand notes were in error, that he didn't say it, that he wasn't there, and finally, that the party wasn't even held at the Pinchot home.

But there are two stubborn facts that confront him. One is a statement given to the Federal Communications Commission for its records which he verified before a notary, and in which he said—F. C. C. hearings, page 156 line 12:

Mr. Dodd did attend this party which was a fashion show held in the home of former Governor and Mrs. Pinchot, of Pennsylvania.

He made the same statement under oath to the Federal Bureau of Investigation. If you want proof, summon J. Edgar Hoover before this body. Ask him to bring F. B. I. file No. 101-350, made February 25, 1943. Ask him whether William E. Dodd, Jr., testified under oath on February 24, 1943. Ask him to turn to page 23 of the Dodd file and see if Dodd was not answering to the F. B. I. on the exact charge and if the answer was not identical with the words in the F. C. C. hearings except that there was added a description of the party to show that it was staged by Washington debutantes to publicize fashions in cotton goods. I know how J. Edgar Hoover will testify because I have seen the F. B. I. file and on that page William E. Dodd, Jr., has inscribed his initials after that answer to testify to its correctness.

But he testified to the Kerr committee that he recalled specifically and that he was not there. He went a step further to his employers at the F. C. C. hearing and said he not only wasn't there but that the party was not held at the Pinchot home.

That is the sort of testimony that his attorney terms "diffused honesty." Those are samples of contradictory testimony that his attorney so charmingly said "is so far from being consistent that it is absolutely true."

Now it so happens that the F. C. C. has a mimeoscope which it prepared when all of these people accused by the Dies committee were getting ready to testify and in the section relating to

William E. Dodd, Jr., page 5, under the comment on the League of Women Shoppers and the party on the "boycott of Japanese goods," there is this comment:

The Dies committee here refers to a fashion show, held at the home of former Governor and Mrs. Pinchot of Pennsylvania, and staged by Washington debutantes. Its purpose was to publicize fashions in cotton and to promote a boycott of Japanese goods. William E. Dodd, Sr., was one of the speakers. William E. Dodd, Jr., employee of the Federal Communications Commission, was not concerned.

Notice that this language is almost word for word with the Fly letter to the gentleman from Virginia [Mr. Woodrum] and with the sworn testimony before the F. B. I. except in its statement as to whether Mr. Dodd was or was not there, so there is no possibility of contending that the mimeoscope was not used in both the letter and in preparing to testify before the F. B. I. The only thing that happened was that for some reason the testimony was twisted.

We therefore see that with that positive and absolute statement in front of the F. C. C., the Chairman of that Commission in his letter to the gentleman from Virginia [Mr. Woodrum] stated just the reverse; that Mr. Dodd went before the F. B. I. and stated the opposite of what was in the mimeoscope pamphlet; but he came before the Kerr committee and denied both the information in the letter of Mr. Fly to the gentleman from Virginia [Mr. Woodrum] and his own sworn statement to the F. B. I. and reverted to testimony given in the mimeoscope.

Our great difficulty is in knowing which of the diametrically opposed statements under oath was true and which was false swearing. On that sort of mental gymnastics, the Federal Communications Commission washed him and made him pure as snow.

Item E: In item E Mr. Leigh made reference to a charge having to do with the call to the fourth congress of the League of American Writers.

Charge 24: The New Masses of April 22, 1941, reported that Mr. Dodd signed a call to the fourth congress of the League of American Writers.

Mr. Dodd's answer: Mr. Dodd did sign this call.

The letter of Mr. Leigh then quotes the testimony before the Kerr committee, as follows:

Representative ANDERSON of New Mexico. The New Masses reports that you signed a call to the fourth congress of the League of American Writers.

Mr. DODD. I did not sign; no.

Representative ANDERSON of New Mexico. That was your father?

Mr. DODD. No. My father was dead then.

Representative ANDERSON of New Mexico. That was April 22, 1941. You did not sign it?

Mr. DODD. No, sir; I did not.

Representative ANDERSON of New Mexico. And now we come back to the New Masses of April 21, 1941. I asked you if you signed that call for the Fourth Congress of the League of American Writers, or did your father, and you said, "Neither. My father was dead, and I did not sign it." Is that correct?

Mr. DODD. Yes.

Representative ANDERSON of New Mexico. I would like to call your attention to item 24 of Mr. Fly's report. He says you did sign it.

There he is—caught again. One time he says "Yes" and one time he says "No" and both times he is under oath.

How do you suppose he gets around that one? His attorney says on page 69 of the hearings that the Kerr committee record is not complete at the specific page where the interrogation refers to the League of American Writers. That was page 561 of the typed hearings and on page 139 of the printed hearings of the Kerr committee. I give you the somewhat leading questions of Mr. Denny, counsel for the F. C. C.:

Mr. DENNY. It is your recollection, Mr. Dodd, that at that point, this is page 561 and page 562, it is your recollection that at that point you explained to the committee that your name does appear on the call and that what you mean when you say you didn't actually sign it was that you didn't really affix your name to it, but that your name was used and that you never protested?

The WITNESS. That is correct.

Mr. DENNY. Your understanding is that at that point you had explained it but that it does not appear in the transcript?

The WITNESS. That is right.

Then Mr. Dodd's attorney, Mr. Linder, takes up the questioning and I quote from page 70.

Question. Mr. Dodd, on page 562 the interrogation with respect to the League of American Writers occupies two or three questions. The last question was: "That was April 22, 1941. You did not sign it?" Your answer was: "No, I did not."

The next question is:

The issue of the Daily Worker for June 10 and 11, 1938, said you spoke under the sponsorship of the Massachusetts Committee for Concerted Peace Efforts. Would that be correct or not? Is it your statement that before the Congressmen went into the Massachusetts matter there was a full discussion, question and answer, with respect to the League of American Writers?

Answer. That is right. I might add that if there is any reference to that call of the League of American Writers at any other page, the pagination might be wrong, but my point is that somewhere in the transcript they left out my statement on my qualifying statement on the signing of the call.

Mr. DENNY. Which was, while you hadn't actually affixed your signature to it, you never protested it and, therefore, you constructively signed it?

The WITNESS. That is right.

There you have it. When the man testifies under oath to the F. B. I. that he did sign a call and under oath to the Kerr committee that he did not sign it, he reconciles that discrepancy by saying that while he had not actually affixed his signature to it, he never protested it and, therefore, constructively signed it.

But look at page 64 of the F. C. C. hearings and you will find that Mr. Graves does not recall that Mr. Dodd objected. Look at page 91 of the Dies committee transcript. You do not find that Mr. Dodd protested then although he knew that his name was affixed to the call.

If you will turn to page 93 of the Dies transcript you will see that he claims that he did not know his name was there until the fall of 1942, yet he went to the

conference, he saw the call, he saw his sister's name was signed to it, but he did not know that his own name was signed.

Now what was Dodd doing in the answer which he helped the Chairman of the Commission to prepare and which was filed with the gentleman from Virginia [Mr. Woodrum]? I think Mr. Dodd tells us pretty clearly when he was asked whether he reviewed the affidavit when he signed it. Here is his reply on page 59 of the F. C. C. hearings:

No, I didn't. I simply read it over very quickly and I assumed, because the Commission was working to convince the Appropriations Committee of the House to let off, at least to revise its opinion of some of the charges that were made against Federal employees, and that I accepted it in all good faith as being the fact.

So much for Dodd's testimony before the F. C. C. and his clearance by that deliberative body. The Members of this House appreciate, I am sure, that the inconsistencies that I pointed out in May when this House adopted a resolution to bar him from the public pay roll were but a small part of the evidence against him. This man openly admitted his membership in the American League for Peace and Democracy and other subversive groups. Not only that, time did not permit me to call the whole roll of the instances when he had tried to throw off onto his dead father the responsibility for his own acts.

Take an item from page 23 of the F. B. I. file on him. I use that reference merely because it is the same memorandum that the F. C. C. furnished to the gentleman from Virginia [Mr. Woodrum] under date of February 3, 1943. It relates to charges 8 and 9. It refers to matter in the New Masses and then carries these words:

Issues of the Daily Worker of February 7 and 8, 1938, mention that he was a speaker at an Aid China rally sponsored by the American League for Peace and Democracy.

Dodd's answer, furnished the gentleman from Virginia [Mr. Woodrum] and also initialed for the F. B. I., reads:

Actually, these three citations all refer to the same event of October 1, and the person concerned was not William E. Dodd, Jr., but his father.

Now the reference in the Daily Worker of February 7, 1938, concerning William E. Dodd having been a speaker at a China-aid rally on the American League for Peace and Democracy, reads in part, as follows:

William E. Dodd, Jr., son of the recent American Ambassador to Germany, will outline the national China-aid campaign of the league, of which he is chairman.

Diffused honesty. How diffused? If you could look at page 53 of the mimeoscope pamphlet prepared by Mr. Graves, of F. C. C., after interview with Mr. Dodd, you would see that that clearly shows that Mr. William E. Dodd, Jr., spoke at the rally in his capacity as chairman of the China Aid Council, but the memorandum to the gentleman from Virginia [Mr. Woodrum] and to the F. B. I. is deliberately twisted so that he answers that all three of a group of citations, including this meeting, refer to the same event of October 1, "and the

person concerned was not William E. Dodd, Jr., but his father."

So we have some more diffused honesty, some more of the false swearing that his attorney told the F. C. C. "is so far from being consistent that it is absolutely true." He swears it was his father, but the Daily Worker, surely an authority of communistic doings, says it was William E. Dodd, Jr., son of the recent American Ambassador to Germany.

That is the sort of man that the Federal Communications Commission carried on its pay roll for an extra week after the ban placed on him by Congress, and carried him there for the sole purpose of giving him some sort of legal grounds to contest in court his right to continued employment in an office of trust. What do you think of it?

Let me give you one more sidelight: In the same sworn affidavit to the F. B. I., he denies on one page that he spoke at an Aid China rally, sponsored by the American League for Peace and Democracy, and initials that denial, and on another page, commenting on his activities with the American League for Peace and Democracy, he revised the initialed paragraph so it would say he was a paid secretary and as part of his duties "I spoke for them on China relief." He swears he did and he swears he did not. Diffused honesty. It's a wonderful characterization.

This is not an effort to reopen on the floor of this House those matters of conflict and controversy which delayed the appropriation bill a year ago. The Federal Communications Commission looked at Mr. Dodd's testimony and decided that it refuted completely the conclusions which the Kerr committee reached on his case. I think it would be too bad to close the matter officially with that sort of a decision. I think it important to show that regardless of the legal position of the Congress in the entire controversy, the Federal Communications Commission was on the right track when it first determined to remove Mr. Dodd as an improper employee.

(By unanimous consent, Mr. ANDERSON of New Mexico was granted leave to extend his remarks.)

Mr. CASE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. ROLPH].

Mr. ROLPH. Mr. Chairman, I first want to thank the Ohio delegation for this beautiful carnation. Although I did not know President McKinley personally, I did have the privilege, as a small boy, of standing on the sidewalk in San Francisco and cheering as he rode along Market Street. He was very popular in my home city. We hold him in most affectionate memory. It is a privilege to join with Ohio in honoring him on the anniversary of his birthday.

Mr. Chairman, today's mail brings a copy of the San Francisco Examiner of last Sunday. That issue carries the names of the winners of the William Randolph Hearst American history awards. You will remember the Bill of Rights competition, sponsored by the Hearst papers throughout the country. A boy from my congressional district won the first prize. Two other contest-

ants from my district also were amongst the winners. I would like to read their names. First prize of \$1,000 in War bonds went to Ernest Page, 16 years old, a senior at George Washington High School at San Francisco. Home address, 700 El Camino Del Mar.

Twenty-sixth prize, Ann Curry, 16, Academy of the Presentation. Home address, 626 Twentieth Avenue, San Francisco.

Thirty-second prize, Richard Cuneo Fox, 16, St. Ignatius High School. Home address, 3501 Fillmore Street, San Francisco.

Congratulations to these three splendid young people. I also desire to congratulate their teachers. Although I only have the name of the history teacher of the George Washington High School, Miss Arline Scharff, I do want to commend her and the other high-school history teachers for the splendid work they are doing.

Reading from the Examiner:

SAN FRANCISCO STUDENT WINNER IN HISTORY CONTEST—BOY REFUGEE FROM NAZIS GETS PRIZE OF \$1,000

A 16-year-old San Francisco high-school boy who fled the Hitler tyranny of his native Germany with his parents 7 years ago is the winner of the Nation-wide William Randolph Hearst American history awards.

He is Ernest Page, student at George Washington High School, who earned the honor—and \$1,000 in War bonds as first prize—in competition with thousands of other American high-school boys in 13 of America's greatest cities.

HAILED WITH PRIDE

It is the same Ernest Page who 7 years ago, a wide-eyed refugee who could not speak a word of English, arrived here with his father and mother.

He was 9 then. He and his parents had left his birthplace, Cologne, Germany, to find sanctuary and life and liberty and the pursuit of happiness in America.

Here would be no tyranny, but liberty—and an equal chance for every girl and every boy.

The boy learned English, grew tall, worked hard at being an American, that his adopted land might know him with pride.

And today America hails him with pride.

Ernest and his twin brother Charles were graduated from the Alamo School into Presidio Junior High School, then into George Washington High School, where they are now seniors. Their elder sister, Elinor, is now a student at the University of California.

I might say Mr. Chairman, that the parents of this young man have become American citizens. They were both naturalized on December 28, 1942.

With your permission I would now like to read the essay.

When we consider why the Bill of Rights was necessary we must first understand its historical background.

FREEDOMS IMPLICIT

To the framers of our Constitution, it must have seemed obvious that any Government operating according to its provisions would be in itself a guarantee of the personal liberties of the people. That was probably the main reason why they never explicitly stated the freedoms, later embodied in the Bill of Rights, in the Constitution.

Certainly these men, who had been the leaders of their people during the Revolution, had every intention of making the new Government democratic. From the purely selfish viewpoint, it was in their own interest to make it so.

When the Constitution was finally made public, it was met by many Americans with distrust.

It seemed to them to create too strong a central Government. A Government with such powers might take away their liberties again, liberties which they had so dearly won during the Revolution. Then, too, there was the precedent of the British Magna Carta.

LOOKED TO BRITISH

Could the United States not also have a document like that, with a definite statement of rights and privileges of which no authority in the Government could deprive them?

It must be added also that many of the common people of the times were incapable of understanding the Constitution. Others were afraid that it might be construed as meaning that rights, not stated in the Constitution were not protected and therefore subject to violation.

The result of these arguments was the Bill of Rights, the first 10 amendments to our Constitution.

The first amendment is, perhaps, the most important. It guarantees the rights of freedom of religion, freedom of speech, freedom of the press, freedom of assembly, and freedom of petition.

Later amendments protect the right to bear arms, prevent the Government from quartering soldiers in the homes of citizens against their consent, insure them from unwarranted search, excessive fines and imprisonment, and establish their right of habeas corpus, speedy jury trial, and the powers of the States.

IMPLEMENT PREAMBLE

The Constitution and the Bill of Rights have achieved in a great measure, the purposes stated in the preamble.

It was not easy, but our American ancestors succeeded in securing the blessings of liberty to themselves and their posterity.

The five rights guaranteed in the first amendment are now a reality. Every American who makes free use of them, has the duty of using them to their best purpose, of protecting them from abuse or misuse, and of fighting to preserve them from the enemies of democracy.

Each of these freedoms is both a tool and a weapon. A good citizen should use the tool to build a more constructive democracy; he should use the weapon to destroy what he knows to be wrong.

Democracy is the great champion of the common man.

Freedom of petition is her right to ask for her wants.

COLLECTIVE STRENGTH

Freedom of assembly is her power to collect her combined strength and express her combined will.

Freedom of the press is her ability to carry her principles to every home, to spread her doctrine to every corner of the land.

Freedom of speech is her right to tell the common man in the straightforward language which he can understand that he need not be afraid to speak what he wants.

Freedom of religion is the soul of democracy, the principle without which it could not exist.

Today our men are fighting again on foreign fronts. They know, as no others can know, for what they are dying. They know the value of the Bill of Rights.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ROLPH. I yield.

Mrs. ROGERS of Massachusetts. I am so glad to have the privilege of hearing the very fine speech of your young constituent. I know how proud you are of him and also how proud they must be of you and how grateful they are when

you take an interest in everything they do, not only the young people of your district but all the people of your district. The gentleman is constantly doing things for them and showing his pride in them. I would also like to say to the gentleman that I personally feel very grateful, as I know he is, to Mr. Hearst for the magnificent work he is doing for the veterans.

Mr. ROLPH. I am deeply grateful to the gentlewoman from Massachusetts for her gracious remarks. I want to assure her that I appreciate them deeply.

The CHAIRMAN. The time of the gentleman from California [Mr. ROLPH] has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. MILLS having assumed the chair as Speaker pro tempore, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 4070, the independent offices appropriation bill, had come to no resolution thereon.

RESIGNATION FROM COMMITTEES

The SPEAKER pro tempore laid before the House, the following resignation from committees:

JANUARY 27, 1944.

HON. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby submit my resignation from the following committees: Committee on Roads, Committee on the Territories.

Very truly yours,

JAMES V. HEIDINGER,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

EXTENSION OF REMARKS

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a copy of a latter.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CASE. Mr. Speaker, I ask unanimous consent that in my remarks I made this afternoon in Committee of the Whole I may place certain documents and letters received from various executive agencies, and other material pertaining to the subjects I discussed; and that I may extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JUDD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a short letter from my constituent.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. MURDOCK asked and was given permission to revise and extend his own remarks in the Appendix.)

SPECIAL ORDER

The SPEAKER pro tempore. Under special order, previously agreed to, the gentleman from North Dakota [Mr. BURDICK] is recognized for 30 minutes.

Mr. BURDICK. Mr. Speaker, I do not want to be the instrument that is going to retain all six Members here for 30 minutes. If you do not hear this speech, you can get some one to read it to you.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. CURTIS. I assure the gentleman I will lose no time in reading it.

Mr. CASE. Will the gentleman yield?

Mr. BURDICK. I yield.

Mr. CASE. Is the gentleman going to proceed? If the gentleman really wanted an audience, we will give him an audience tomorrow afternoon during the regular debate.

Mr. BURDICK. We have the Sergeant at Arms and the pages and the Speaker, and six more, and I think that ought to be enough.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield.

Mrs. ROGERS of Massachusetts. Although the gentleman's audience is small it is extremely appreciative of what he says.

Mr. CASE. Mr. Speaker, will the gentleman yield further?

Mr. BURDICK. I yield.

Mr. CASE. I have just looked around and discovered that the appeal of the gentleman's speech was such that at least twice that number have now entered the Chamber.

Mr. MARTIN of Massachusetts. Everybody here wants to get in.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. GORE. I assure the gentleman that had the membership been aware the gentleman was going to speak it would have been overflowing.

Mr. BURDICK. Does the gentleman mean the Members of the House?

Mr. PRIEST. Mr. Speaker, will the gentleman yield further?

Mr. BURDICK. I yield.

Mr. PRIEST. I hope the distinguished gentleman will proceed because I came back to hear him.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. MURDOCK. I had an engagement at this hour and was about to fulfill it but when I heard the gentleman was to take the well of the House I determined to remain.

Mr. BURDICK. The gentleman can go right ahead and fulfill his appointment.

Mr. HARRIS of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. HARRIS of Virginia. I was just on the point of leaving the chamber when I heard the Speaker announce recognition of the gentleman from North

bined will.

Freedom of the press is an ability to speak

APPENDIX 1
APPENDIX 1

Mr. BENTLEY. I have the distinguished

departmental business (until the 1st day of December following the expiration of their respective terms of office)."

Your inquiry is accordingly answered in the affirmative.

I later wrote the Office of the Solicitor of the Post Office Department in the following letter:

On page 18519 of the CONGRESSIONAL RECORD of September 14, 1940, I extended my remarks by including an article on the March of Democracy.

If I have copies of these remarks printed by other than the Government Printer and in different type, may I still send them out under any franking privilege?

On the 25th following, my letter was answered in these words:

In answer to your letter of September 21, which the Solicitor has referred to this office, you are advised that the act of Congress of March 3, 1875, embodied in section 609, Postal Laws and Regulations, provides as follows:

"The CONGRESSIONAL RECORD, or any part thereof, or speeches or reports therein contained, shall, under the frank of a Member of Congress or Delegate, * * * be carried in the mail free of postage."

The place of printing of extracts from the CONGRESSIONAL RECORD or the style of type used does not affect their frankability. In this connection, I may say that when it is desired to send under frank extracts from the CONGRESSIONAL RECORD, the extracts should, in order that their character may be apparent on the face, bear such identifying indicia as will clearly show that they are from the CONGRESSIONAL RECORD.

I say further that not one of the speeches ever made by me was franked out in violation of the law, and Mr. Hudson—and I hope this is the last time I shall be called on to answer that charge—never had my frank for any purpose. That ought to be sufficient. I yield back the remainder of my time.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN. Mr. Speaker I ask unanimous consent to revise and extend the remarks I am to make this afternoon and include certain extracts and statements.

The SPEAKER pro tempore. Is there objection?

There was no objection.

FEDERAL CONTROL OF INSURANCE

Mr. SABATH, from the Committee on Rules, submitted the following resolution (H. Res. 422), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3270) to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States and that the acts of July 2, 1890, and October 15, 1914, as amended, be not applicable to that business. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the

previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent that the gentleman from Delaware [Mr. WILLEY], former secretary of state of Delaware, may have the privilege of revising and extending his remarks in the RECORD with reference to the 1943 soldiers' vote bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. TABER. Also, Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend the remarks I expect to make in committee today, and to include certain excerpts from newspapers and periodicals.

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by inserting an address made by Dr. McGowan, in Washington on January 15; also to revise and extend my remarks by placing in the RECORD two articles appearing in the Philadelphia Record in reference to the difficulty of making out the income tax return.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects and include resolutions.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes; and, pending that motion, I ask unanimous consent that general debate on the bill shall continue for 3 hours, the time to be equally divided between the gentleman from Illinois [Mr. DIRKSEN] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentle-

man from Virginia that general debate on the bill shall continue for 3 hours, the time to be equally divided between the gentleman from Illinois [Mr. DIRKSEN] and the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4070, the independent offices appropriation bill, 1945, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, the discussion of the Polish-Russian boundary is one of universal interest not only in the United States but throughout the democratic world. The interest is not confined exclusively to Americans of Polish antecedents, nor to any other element of the American people, and discussions are not always free of biased sentiment. I should perhaps say prejudice, or more appropriately, that expressions are frequently made which are predicated upon ignorance and upon a definitely unjustified and anti-Polish viewpoint.

To the uninformed the unfounded, intemperate, and ill-timed expressions of the Russian newspaper Pravda, which is the official organ of the Communist Party and reckoned as the mouthpiece of the Soviet government, and the caustic and unfriendly expressions of War and the Working Classes, to say nothing of Izvestia, which is the official organ of the Russian Government, might impress many of our people with the justice of the spurious claims of our "converted Russian ally."

In this country it appears that on occasion some individual with the aid of unfriendly press support will undertake to speak with authority, not only for the Americans of Polish antecedents but also for the Polish citizens residing in the homeland, and these expressions so ably press-agented are frequently anti-Polish if not downright pro-Russian and the origin in such instances is apt to be doubtful and certainly not representative of the sentiments of the great mass of Americans of Polish antecedents in the United States, or of the Government in exile, or the people which it represents living in Poland.

I want to read into the RECORD a statement signed by 17 eminent and patriotic Polish educators, each one identified with some outstanding institution of learning. These men are among the foremost in their respective fields, they are of unimpeachable character, and I say to you, Mr. Chairman, that they, if anyone, speak the sentiments of the great bulk of the people of Polish antecedents in this country. While I do not presume to state with authority, I shall say nevertheless that I believe these men, knowing

Poland and the Polish people, reflect, too, the overwhelmingly popular opinion of the Poles in the fatherland.

It is plain and evident that this statement is intended to combat and to put in its proper place the erroneous pro-Russian views of Dr. Oscar Lange whom a fractional though vociferous minority seeks to foist on the American public as an authority and as one who reflects the trend in opinion among Americans of Polish antecedents.

I should like to add for the benefit of the Members of the House that Dr. Lange speaks only for himself and to be as charitable as possible toward him, I should say he speaks with poor taste and with ingratitude whenever he presumes that Americans of Polish ancestry, or the people of Poland, in order to placate Russia, are willing to sacrifice their own bloodstained territory. Certainly the sentiment is well-nigh universal that Poland desires to live in closest friendship and as a good neighbor to Russia but not at a price, not at the expense of jeopardizing her own independence.

The determination of the form of government which the Polish people will eventually choose is something which the Poles insist is their own and exclusive privilege and responsibility. They will not jeopardize the religious life and the freedom of the people because to do so would mean bowing to communism and the permanent establishment of a puppet form of Soviet government.

The Poles look to the world for support of their attitude in the hope that they may preserve their independence, freedom of conscience, and the right to worship God according to the dictates of their own conscience.

The Polish Government made clear its position and its attitude has been most generous, exemplary in its patience, when it was stated that the boundary question can be solved by mutual consent but cannot be determined on a unilateral basis or imposed by Russia as a conqueror.

The statement to which I referred was prepared by Dr. Jerzy Kaulbersz, of the college of medicine at the Wayne University of Detroit, Mich., and I commend it to the membership for your most earnest consideration.

The statement reads as follows:

The American press reported recently of a new Polish organization, the Kosciuszko League, founded in Detroit with the purpose of spreading among the Polish population the idea of an acquiescent attitude toward Soviet Russia. One of two principal speakers at the organizational meeting was Dr. Oscar Lange, professor of political economy at the University of Chicago.

Dr. Oscar Lange emerged as an ardent follower of Russian claims to eastern Poland on April 29, 1943 (a few days after the rupture by the Soviets of diplomatic relations with Poland), publishing a provocative letter in the New York Herald Tribune, in which Poland's determination to maintain the integrity of her territory was called by him "national hysteria." His suggestions were identical with propositions from the Russian foreign office.

Dr. Lange's opinion is being given widest publicity as that of a Polish scholar and a former member of Krakow University, thus creating a false impression that he reflects

the opinion of the Polish scholars. Therefore we, professors and lecturers of the Polish universities, declare that we take most vigorous exception to both his views and his tactics. It is an easy but by no means convincing method simply to accuse people holding other opinions of being Fascists and reactionaries, in order to discredit them in public opinion. But we expected a more impartial and scholarly approach on the part of Dr. Lange who as a lecturer had been associated for a short time with Krakow University. This university had always represented the highest Polish spiritual values, and in the present war nearly all of its members had been deported to the Nazi concentration camps, where many died in consequence of inhuman treatment. We also expected more fairness on Professor Lange's part in dealing with the government of an Allied nation of which he was a citizen until a short time ago.

We all are in favor of cooperation between an independent and democratic Poland and the Soviet Union, and we think that Poland gave ample proof of this being her desire. But to achieve such a cooperation the territorial claims of Soviet Russia must be withdrawn. The Polish-Russian frontier of 1921 had been a frontier of compromise, and as such it had never been questioned by Russia. The Poles are the most numerous there, and except for the time of partitions, these territories belonged to Poland for many centuries not only historically but yet culturally. Large cities in this territory, Lwow (which had never belonged to Russia) and Wilno, are inhabited by an overwhelming majority of pure Poles, and are among the main centers of Polish culture. Many great leaders in Poland's history, and a number of great poets came from eastern Poland.

Poland was first to fight against Nazi domination and has continued this struggle ever since with appalling sacrifices on the home front and abroad. Russia, it should be remembered, joined the United Nations only after being attacked by Germany and after 22 months of collaboration with the Nazis. It would be a great injustice and in disaccord with international morality, should Poland be deprived of any part of her territory in favor of Russia. Political, historical, and cultural reasons speak against it as strongly as the moral principles for which we are fighting this war.

Dr. Henryk Arctowski, Lwow University, Observatory of the Smithsonian Institution; Dr. Gustaw Bychowski, Warsaw University; Dr. Wladyslaw Gorczynski, director, Central Meteorological Institute, Warsaw; Dr. Oscar Halecki, Warsaw University; Dr. Jerzy Kaulbersz, Krakow University, Wayne University; Dr. Andrzej Krzesinski, Krakow University, University of Montreal; Mr. Michal Laskowski, Warsaw Agricultural College, University of Arkansas; Dr. Gustaw A. Mokrzycki, Warsaw Institute of Technology, University of Montreal; Dr. Stanislaw Mrozowski, Warsaw University, Chicago University; Dr. Józef Pawlikowski, Warsaw Institute of Technology, Ecole Polytechnique de Montreal; Dr. Jan H. Rosen, Lwow Institute of Technology, Catholic University of America; Dr. Stanislaw Sniessko, Krakow University, University of Maine; Dr. Wojciech Swietoslowski, Warsaw Institute of Technology, Mellon Institute for Industrial Research; Dr. Jozef Sulkowski, Poznan University; Dr. Boleslaw Szczeniowski, Warsaw Institute of Technology, Ecole Polytechnique de Montreal; Dr. Aleksander Turyn, Warsaw Uni-

versity; and Dr. Florian Znaniecki, Poznan University, University of Illinois.

As further evidence of the attitude of Americans of Polish antecedents, I want to read to you a resolution which was adopted by the executive council and directorate of the Polish Roman Catholic Union of America, having membership in every State of the Union.

This progressive and patriotic organization, I am sure, reflects the opinion of the great bulk of the Polish Americans and I feel safe in saying that it is not only the guide but a reflection of the self-same feeling of the liberty-loving people of America.

This organization is representative of Polonia and is the second largest in America.

I invite your attention while I read the following resolution:

CHICAGO, ILL., January 25, 1944.

The following resolution was unanimously adopted at the plenary meeting of the executive council and directorate of the Polish Roman Catholic Union of America, duly held on the 11th day of January 1944, in Chicago, Ill., all of the national officers being in attendance at said meeting:

"Whereas the American press has published under today's date line a news item from London to the effect that the Government of Soviet Russia has formally announced that it will annex the eastern section of Poland, embracing in area approximately one-half of the territory of Poland; and

"Whereas the Government of Soviet Russia asserts that the Polish Government in exile, now located in London, does not represent the will of the Polish Nation, and further charges the Polish Government with incompetency, because of the alleged failure to organize active resistance to the Nazi invader; and

"Whereas the Government of Soviet Russia forcibly and illegally seizes Polish lands, without the consent of the population residing therein, thus undermining the foundation of the future growth and existence of Poland, and thereby assuming a stand, contrary to all principles of democracy and liberty, for which the present war is being fought; and

"Whereas the charges leveled by the Soviet government against the present Polish Government are untrue, as the Polish Government in London is the sole and constitutional exponent of the will of the Polish Nation, and said Government has taken all steps possible to combat our common foe: Therefore be it

Resolved, That the executive council and directorate of the Polish Roman Catholic Union of America, convened at its plenary meeting in Chicago, Ill., on January 11, 1944, solemnly protests, in the name of its membership composed of Americans of Polish extraction, against the contemplated partition of Poland by Soviet Russia, and supports the stand taken by the Polish Government in London, which is allied with the Government of the United States.

"We place implicit trust in our President, Franklin Delano Roosevelt, and express the firm conviction that he will not permit the Government of Soviet Russia to despoil the Polish Nation, now so terribly tortured and ravaged by the Nazi barbarians."

JAN J. OLEJNICZAK,

President,

STEPHEN S. GRABOWSKI,

Secretary General,

ANTHONY J. KOZUBAL,

Treasurer,

For the Executive Council and Directorate of the Polish Roman Catholic Union of America.

I ask unanimous consent to revise and extend my own remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

[Mr. AUGUST H. ANDRESEN addressed the Committee. His remarks will appear hereafter in the Appendix].

[Mr. DIRKSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Chairman, I am delighted to have been privileged to hear the splendid speech made by the gentleman from Illinois [Mr. DIRKSEN]. I have nothing to say in reply to that speech. I am in hearty accord with most of the philosophical statements; possibly not always with the conclusions, although that is merely a reservation of caution.

Having to follow the gentleman from Illinois, for a little while reminds me of the closing debate in the life of Patrick Henry. He was a candidate for the United States Senate or for Governor or something. The man to follow him was John Randolph, of Roanoke. An old farmer listening to the address for quite a little while, after Henry had concluded, said, "Tut, tut, tut. It is merely the tinkling of a tin pan after the music of a fine church organ."

As I recall, that was the quotation. I admire the spirit in which the address was presented, which reminds me also of a statement of Patrick Henry, in the convention, when he said:

I am no longer a Virginian; I am no longer a New Englander; I am no longer a Marylander; I am an American.

I wish sometimes on this floor we could all remember that, and avoid partisan crimination and recrimination and remember we are fighting all for America and the death role that is being made in this Congress.

But, that is not what I came here to speak about. Yesterday one of the members of the committee delivered a speech which commented at times on the very large expenditures of the Maritime Commission and the War Shipping Administration. I feel sometimes myself that possibly waste has existed, but gentleman, they have built the ships, and they carried the guns; they have carried the munitions; they have carried the cargoes, they have carried the men, they are winning the war, and no organization or instrumentality in this country has exceeded the splendid work that the Maritime Commission and the War Shipping Administration has done.

There have been very troublesome problems. Some of those problems have almost killed me and I reckon some members of my committee. Some of them were troublesome compensation problems which we had written into one of the acts. If you gentleman have not undertaken to reconcile legislation such as existed there, you do not know what difficulties we had to meet. It has been difficult to find reconciliation that would

permit the Maritime Commission to reduce the cost of these ships on many occasions and conform with the just compensation provision of the Constitution, which neither you nor I can interfere with. We have tried to work out through a council consisting of three of the ablest judges of the United States, a method whereby that might be done. The shipping companies in many cases were willing to go along with a settlement which exceeded the limitations that we had placed on them, but still did conform with the Constitution and the allowances what the courts might possibly have determined to be just compensation. I think considerable patriotism has been shown.

Comments were made in debate as to the investigational work of the Committee on the Merchant Marine and Fisheries. Let me remind you that that committee has jurisdiction not only over the merchant marine and fisheries but also the Coast Guard, the Geodetic Survey, navigation aids, such as lighthouses and buoys, merchant-marine hospitals, and the Panama Canal. It has reported out much legislation and in its investigational capacity there have been made reports dealing with matters that have come from the General Accounting Office. We have tried to be fair. The reports have not always met with the views of the Accounting Office or everyone else, but we have tried to deal with them in a spirit of fairness and justice. Some comment was made that there were other matters that ought to be reported on. Let me tell you that there is in transcript in process of printing and report, to be prepared in the near future, on the matter of charter rates to the Red Sea. It was deemed essential to secure the stock reports of those companies for the last year and they were very late in coming in. There was nothing the committee could do to hurry the reports, and they are essential. Two companies have made refunds since the committee's hearing, the Weyerhaeuser Steamship Co., in the sum of approximately \$200,000, and the American President Lines, in the sum of approximately \$110,000.

The investigation which was made at South Portland will result in savings very nearly, as I recall, of \$5,000,000. The committee has had in all \$100,000 for the several years.

Plate-fracture subcommittee—statistics relative to fractures to January 1, 1944, at hand awaiting action by the subcommittee.

Comptroller General's report on Morgan Line—investigation of date under way in preparation for hearing.

Rheem Manufacturing Co.—hearings have been held at which the Maritime Commission and the principal subcontractors have been heard. Hearings of Rheem Manufacturing Co. will occur on February 9.

St. Johns River Shipbuilding Co.—investigation of affairs of the company at the site have been completed and are awaiting hearings.

Subcommittee on Ship Production—report of west coast inspection is in process of preparation.

Many matters have come from the committee to the Congress, and some of its members by reason of physical condition have carried on under great difficulty. I think there has been a remarkable showing.

Sometime ago a speech was made on the floor of the House by one of the Members for whom I hold the highest esteem, the gentleman from Ohio [Mr. JONES], on October 26. That was at the time he introduced a resolution to investigate operations of the United States Maritime Commission and the War Shipping Administration. I have a report that I asked be prepared at that time by the Maritime Commission in comment on and answer to the various charges contained in that speech, some 12 in number.

Mr. Chairman, I ask unanimous consent to insert this memorandum which came to me from the Maritime Commission as part of my remarks on this occasion.

The CHAIRMAN. The gentleman will have to obtain that permission in the House rather than in the Committee of the Whole.

Mr. BLAND. I should have remembered that. I withdraw the request.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. WOODRUM of Virginia. Does the gentleman desire more time?

Mr. BLAND. Perhaps 1 minute.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 1 minute to the gentleman from Virginia.

Mr. BLAND. I wish to assure the membership of the House that this legislative committee is as anxious as the members of the Appropriations Committee, and other Members of the House to reduce expenditures, but we are facing a terrific fight in the post-war world when the effort will be made again to drive the American flag from the seas, and, God helping me, they shall not do it.

Mr. DIRKSEN. Mr. Chairman, will the gentleman tell me how the time stands?

The CHAIRMAN. The gentleman from Virginia has remaining 1 hour and 15½ minutes; the gentleman from Illinois, 21 minutes.

Mr. DIRKSEN. Mr. Chairman, I yield to the gentleman from New York [Mr. TABER] 21 minutes.

Mr. TABER. Mr. Chairman, I shall not spend a great deal of the committee's time this afternoon. There are two or three things I wish to speak about; one is this bill. There are some things in it that I believe are provided for rather liberally and can be trimmed some and I hope that when we get to the reading of the bill they may be corrected.

I wish to talk for a moment about a couple of things that are outside the range of this bill. The first is the Office of War Information. Perhaps some of those in the Chamber now will remember that I called attention to certain things when an appropriation for that organization was before the House, and called attention to the way they were operating and to the fact that their broadcasts were not in the interests of our war effort.

At this point I am going to put in the RECORD, in accordance with consent that

was granted me in the House, an editorial from this morning's Washington Post entitled "Sherwood's Foresters." The article follows:

SHERWOOD'S FORESTERS

Both the war effort and our good name abroad have hardly been aided by the high-handed and bizarre operations of Robert E. Sherwood's Overseas Branch of the Office of War Information. The wonder arises over the long tolerance of those operations. One reason is doubtless the bond of friendship existing between writers for the newspapers and writers for the O. W. I. Old colleagues hate to start stone throwing. Moreover, O. W. I. has invoked the aid of newspaper writers, who thereupon feel, in some vague way, that they have an equal stake with staff members in shielding O. W. I. The result is that O. W. I. has not had the criticism which its overseas operations in general deserve. The criticism has mainly been esoteric, restricted to circulation in the black market which, as we have previously shown, prospers on much better news than ever appears on the public counters. Stories of the way the "Ruritarians" must have split their sides over this or that broadcast have become part of the folklore of wartime Washington. Mr. Davis' definitive threat of resignation makes at long last for a show-down.

Fortunately for the war effort, the War Department already has taken measures to protect the war effort from the asinities perpetrated by the O. W. I. broadcast control. The step follows a suggestion which had been made several times in the Post. A psychological warfare branch has been set up, with a unit attached to every army. From now on O. W. I. and O. S. S. in the field will function directly under this unit's instructions, though O. W. I. will be left, of course, to disseminate propaganda over the seven seas from the New York headquarters. Thus the general problem remains. Nor will it necessarily be solved by the resignation of Mr. Davis. For that would be interpreted as a triumph for Mr. Sherwood and a new lease of life for the autocratic Warburg-Barnes-Johnson group which flourishes in New York in consequence of Mr. Sherwood's influence at the White House.

Mr. Sherwood's control over the overseas branch always has been shadowy. So far as we can make out, he descends from his eyrie, where he doubtless contrasts the dreamworld of his plays with the world as it really is, only to sign blank checks of authority to his foresters in the jungle below. What is going to happen to them? Clearly they must be brought under some kind of control. From all accounts they are independent even of the brain trust on Mr. Davis' pay roll in Washington. Here there are real experts who know the countries that we are propagandizing. But the Warburg-Barnes-Johnson satrapy, evidently, are averse from using their material. The reasons seem to be, first, that it is related specifically to the country to be talked to, and, secondly, that facts must be subordinated to opinions. This is one world to the ideology boys in New York in which Arab and Norwegian can be equally appealed to with the same pabulum.

Mr. Sherwood's operations, as we have said before, should be brought under control of the State Department, and more attention should be paid to the foreign correspondents, who, given any kind of access to material, would do a good deal of O. W. I.'s job abroad gratis and, obviously, with far better effect. Mr. Edward Weintal sought to encourage this aid when he acted as liaison officer between the O. W. I. and the foreign correspondents. But for some inexplicable reason Mr. Davis decided to dispense with both him and the job. It may be, in the light of the present ruckus, that the overseas branch had as little use for the foreign correspondents as for the experts in the O. W. I. Perhaps, since the branch acts as if all values had been over-

turned, it thought of the work of those correspondents as unfair competition.

It is apparent from this article that the foreign branch of the Office of War Information under Mr. Sherwood is utterly worthless and is a liability to our war effort. It is apparent from that article, as I stated on the floor a couple of months ago, that the activities relating to propaganda have had to be taken over by the War Department and that what this outfit does out of New York and what it does in the nature of supplying help for the war effort does not count in the slightest degree. That feature is bad enough but in addition to that they are following the same thing with reference to their domestic set-up.

I call attention to a letter which the gentleman from Michigan [Mr. LESINSKI] on Wednesday of this week sent to Mr. Davis, Director of the Office of War Information. It appears that Mr. Alan Cranston, Chief of the Foreign Language Division in the O. W. I. has placed on the rolls a man named Adam Kulikowski as a member of the Foreign Language Division in the United States Office of War Information. Mr. Kulikowski is supposed to have ideas contrary to those of the people who believe in the Constitution of the United States. He is charged with having a poor knowledge of Polish and being unable to speak anything better than pigeon Polish, bearing definite trace of Russian grammar, etymology, and syntax. He is stirring up a lot of trouble among the Polish people in the large centers of the United States. Why should the Government of the United States place that kind of a person upon the pay roll to stir up trouble among our people, a man who misrepresents the attitude of the Polish people here in this country.

It has long been known by those who would be frank with the Congress and it has long been said that the Office of War Information is without executive management. It has also been said that that branch of the overseas service under Mr. Sherwood, together with Mr. Barnes, Mr. Johnson, and Mr. Warburg, is not doing a job to help the war effort. It is perfectly apparent that the effort that was made here and which failed to cut \$4,000,000 out of the appropriation for this group was clearly in the interest of the war effort and should have been carried. I am in hopes that when we get to considering another bill for the Office of War Information the interests of the United States will come first and that we will not go ahead and appropriate a lot of money for things that are not in the interest of our war effort.

Mr. Chairman, I want to say a word or two about a bill that will be brought before the House on Tuesday next, as I understand it, which would permit the soldiers to vote. Preliminarily, I want to refer to that very intemperate message that came here the other day from the President of the United States. He stated that the bill is a fraud. Personally I resent that kind of an accusation against a responsible and honored committee of this House. The statement was ill-considered, it was not based upon a

knowledge of the bill, and evidently not upon the situation existing.

It is perfectly apparent that every Member of this House wants the soldiers to have the opportunity to vote. I want to see such a bill considered, not on the basis of wild statements made either by the President or by any of his supporters or by anyone in opposition to the bill, but entirely upon the merits, and with the idea of working out a bill which will permit the boys who are overseas fighting for us to vote. It is of the utmost importance that we give them that right, it is of the utmost importance that we do it in such a way that their votes can be counted.

What are the constitutional provisions that we are up against and what is the situation with reference to the States? For a moment I wish to read a very few sections, a very few words out of certain sections of the Constitution, with reference to the qualifications of voters.

Article I, section 2, referring to the qualifications of voters for Representatives in Congress states:

And the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In order that there may be no misunderstanding and so that it will not be necessary to repeat, I call attention to amendment No. 17 of the Constitution where the same language is provided for the qualifications of those who might vote for United States Senator in each State.

Now I would like to call attention to section 4, article I, reading:

The times, places and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations except as to the places of choosing Senators.

There is also this provision, section 5:

Each House shall be the judge of the elections, returns and qualifications of its own Members.

That is section 5 of article I.

Article II, section 1, reads in part as follows:

Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress: but no Senator or Representative, or person holding an office of trust or profit under the United States, shall be appointed an elector.

Section 2 of amendment XIV perhaps has some bearing on it. It reads as follows:

Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, is denied to any of the male inhabitants of such State, being 21 years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citi-

zens shall bear to the whole number of male citizens 21 years of age in such State.

These are the sections that I intend to have in the RECORD as a part of my statement.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Nebraska.

Mr. CURTIS. May I call the gentleman's attention to a further sentence in section 1 of article II. The gentleman has read that portion which provides for the selection of electors in the manner prescribed by the legislatures of the several States. Following that there is one other sentence I should like to mention. It is this:

The Congress may determine the time of choosing the electors, and the day on which they shall give their votes; which day shall be the same throughout the United States.

A similar section with respect to the Members of Congress grants to us authority to legislate with respect to the manner of holding elections, but in the case of a President we are given that authority. The authority does not go as to the manner of holding an election, but merely as to the time of choosing electors.

Mr. TABER. I think that is correct.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Would the gentleman state how he voted on the Ramsey bill that passed a few years ago? That is the bill waiving the payment of a poll tax as a condition precedent to the voting of the men in the service, and also waiving registration.

Mr. TABER. I cannot recall how I voted without having the bill in front of me. Is the gentleman familiar with that?

Mr. McCORMACK. If I did know how my friend voted I would not state it. I thought he might know. However, assuming the argument of my friend is correct, would it not apply equally against that bill, because Congress by that bill waived the necessity of paying a poll tax.

Mr. TABER. If the gentleman will listen a little longer he will see that I am making no argument. I am simply stating facts, and calling attention to certain things that I desire to have in the RECORD for the benefit of the Members when they come to meet this situation. I am not stating a definite position upon anything. I have stated that I felt that for the purpose of considering this legislation which is coming up, as I understand, on Tuesday—if I am not correct on that I should like to be corrected.

Mr. McCORMACK. The gentleman is correct.

Mr. TABER. I felt that these things should be brought to the attention of the Members that they may understand some of the problems we are up against in meeting this legislation.

Mr. McCORMACK. The gentleman knows I have great respect and friendship for him. In view of the gentleman's

statement, with his permission I will withdraw the questions I asked.

Mr. TABER. Frankly, I have not taken any definite position as to any specific language or anything of that kind and I do not intend to do so here today. I do intend to call attention, if I have the opportunity, to several things that I feel should be considered and should be met, so that when we give the soldiers the vote that vote can be counted, and its counting can be enforced just as far as it is possible to do so. That is my object in rising here today. I hope the problem is approached by every Member of the House not with the idea of involving the thing in a lot of preconceived prejudices or with the desire to follow someone, but with the desire to pass a bill which will hold water and give these boys the vote. That is the only thought I have in mind at this time.

Mr. McCORMACK. I think no finer thought could be entertained by any Member or no finer expression could be made than what the gentleman has just stated.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. TABER. I would hope that this problem would be approached on Tuesday not with the idea of putting the bill through just because it is somebody's bill or because somebody is back of it, but so that our soldier boys may have the right to vote and vote their own convictions, without the least bit of pressure or anything of that kind upon them; and I would hope that everyone here, regardless of the middle aisle, would take that same position.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. RANKIN. Whether or not the gentleman voted for the bill that was passed a couple of years ago, the mere fact that a man made a mistake and voted for an unconstitutional bill at one time is no reason why he should continue to do the same thing, especially on a bill like this that involves the very existence of States' rights. There is an old saying that while the lamp holds out to burn the vilest sinner may return. We are ready to welcome the gentleman from Massachusetts back into the constitutional fold when we get through winning this battle for States' rights.

Mr. TABER. I do not want to get involved in any discussion along the line of States' rights or anything else. What I want to get to as we approach the problem is this: It is apparent from the sections of the Constitution I have read that the Congress in itself has nothing to do with the qualifications or the counting of the ballots for electors for President. The Congress might have certain jurisdiction, if you so construe the language of these sections, with reference to the voting and to certain qualifications with regard to the office of Senator or of Representative in Congress.

Under those circumstances, it looks to me as if it were incumbent upon the Congress to see to it just as far as is possible for us to do that these boys have the right to vote for President. I want to see this thing put up to them, and put up so that it will do some good.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. WRIGHT. Mr. Chairman, like the majority leader, the gentleman from Massachusetts [Mr. McCORMACK], I, too, have great respect for the sincerity of the gentleman from New York, but I think that he will admit that in all questions that confront us there are different ideas as to the constitutional interpretations. The gentleman from Virginia [Mr. FLANNAGAN] to my mind made a fine exposition of the constitutional questions involved, and he relied upon the war powers of the Congress, and points out, justly so, I think, that where they do obtain, they transcend all other provisions of the Constitution, and even transcend State laws and also Federal laws and State constitutions, and he drew an analogy of how in the last war the Congress passed a law reaching into the State courts and stopping actions at law against members of the armed forces, with the idea of protecting their civil rights, something which Congress could have no right to do except under the war powers; and then he argues, and I think rightly so, that if the Congress has a right to protect the civil rights of the armed forces, that political rights rise even higher, and that Congress has a right to control them, and by getting an effective ballot to the soldiers, would not that be a tremendous factor in morale for fighting the war?

Mr. TABER. That is why I want to see an effective ballot sent to them, not one that will not be counted when it gets back home. Perhaps that is not the way to approach the problem—

Mr. WRIGHT. Oh, I think it is, and I think the gentleman's approach is sincere. I am very much interested in what he says.

Mr. TABER. I hope when we get to this situation on Tuesday, that absolute sincerity with reference to the working out of something that will permit these boys to vote will be the thing that we will have in mind, and that we will not be like the country lawyer—be more insistent on our own verbiage than we are on getting somewhere.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. GILCHRIST. I cannot find out what bill it is that we are going to have before us on Tuesday. I was just in the Clerk's office, and I got an armful of bills on this question. I was told that it would be Senate 1225. Is that the bill? What is the bill that we are going to consider on Tuesday?

Mr. MICHENER. Who is the author of the bill the gentleman has in mind?

Mr. GILCHRIST. They do not know in the Clerk's office.

Mr. CASE. I think the gentleman refers to the bill that is on the House Calendar.

Mr. MICHENER. The rule provides that the committee bill, the report of which was written by the gentleman from Mississippi [Mr. RANKIN] will be brought up for consideration. The minority bill, the so-called Worley bill, will be in order to be offered as a substitute. That is as far as the rule goes. It is a wide-open rule and any amendments that the House desires to offer may be offered.

Mr. CASE. A substitute would be in order?

Mr. MICHENER. Yes; always. It is my own view that the Senate bill probably will be over here and will be in order also as a substitute.

Mr. WOODRUM of Virginia. Mr. Chairman, we have no further requests for time for debate, and I ask that the Clerk read the first paragraph of the bill.

The Clerk read to the end of line 7 on page 1.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and, the Speaker pro tempore having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 4070, and had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 208. Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1944.

The message also announced that the Senate insists upon its amendments to the foregoing joint resolution, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, Mr. LODGE, and Mr. HOLMAN to be the conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MICHENER. I wonder if the Chair could tell us what the program is for next week?

The SPEAKER pro tempore. The bill now under consideration will continue on Monday. It is assumed that the bill will be concluded on Monday. If so, the soldiers' vote bill will be next in order on Tuesday. If this bill be not disposed of on Monday, then it will be disposed of on Tuesday, and the next business in order will be the soldiers' vote bill.

Mr. MICHENER. Then there being 4 hours of general debate on the soldiers' vote bill, probably we will not reach the

bill under the 5-minute rule until Wednesday.

The SPEAKER pro tempore. That would be the idea of the Chair; yes. The probability is that Tuesday will be occupied in general debate, and that on Wednesday the bill will be taken up under the 5-minute rule.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. BLAND] be permitted to extend his remarks he made today by inserting a brief memorandum in respect to charges made by Representative ROBERT F. JONES in October 1943, regarding the War Shipping Administration.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HOFFMAN] be permitted to revise and extend all the remarks he made today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that I be permitted to print as a part of my remarks section 2 of the fourteenth amendment to the Constitution.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DIRKSEN] be permitted to revise and extend his remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. J. Res. 208) making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1944, with Senate amendments, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the House joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and without objection appoints the following conferees: Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. POWERS.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two separate matters, and to include a newspaper editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

ROLL-CALL VOTE ON THE SOLDIER-VOTE BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Mexico [Mr. ANDERSON] is recognized for 30 minutes.

Mr. ANDERSON of New Mexico. Mr. Speaker, I want to say a few things about the soldier-vote bills in order to try to get them in some permanent form in the RECORD. Someday ask, What can be the significance of a roll-call vote on a move for the previous question when the rule for the soldier vote is under consideration on Tuesday? Some can say, "We do not see how that has any possible significance. We do not understand how you can attribute to it any special importance."

I am reminded at this time of a newspaper story that goes back into my early newspaper experiences. A newspaper in the city of Denver, one that was sometimes greatly interested in getting publicity for itself, got a private tip that the price of milk was to be reduced in the city of Denver a half cent a quart 4 days later. On the following morning it lowered the masthead of the newspaper to print prominently a terrific blast against the milk industry of Denver and said, "We demand that the price of milk be reduced at least a half cent for the sake of the poor children, and if it is not, this paper will tear to shreds the present combination that has been able to preserve artificial prices."

The next day it came out with additional vigorous and violent editorials, and the following day with the same sort of thing. The next morning, of course, the decrease in the price of milk, which was already agreed upon, became effective. That newspaper praised itself to the skies. What ordinarily would have been worth half a stickful on the front page became worth columns of front-page editorial comment. When I reminded one of the men connected with that sheet that they had blown up the story a little bit he said to me, "News is what you make it."

I say to this House that a vote is what you make it and a roll call has the significance that you are able to place behind it and behind the reasons that motivate the Members of the House in asking for it. When Tuesday comes, after an hour's debate upon the rule, the previous question will be moved and in the ordinary fashion of this House the previous question would be ordered without a dissenting word.

But on Tuesday that is not going to be the situation. The chairman of the Committee on Election of President, Vice President and Representatives in Congress will stand and demand a ye-and-nay vote on the question and we are convinced that plenty of people will stand with him to see that there is a ye-and-nay vote. Why does he want a ye-and-nay vote on the previous question prior to the adoption of a rule? Is it only so that the matter can be brought before the House? No; because that is one of the certain ways in which you can get an absolute record vote on this important



man from South Dakota [Mr. CASE] I shall make further effort—

Mr. TABER. Very well.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by Gov. Olin D. Johnston, of South Carolina.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

EXTENSION OF REMARKS

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. WICKERSHAM addressed the House. His remarks appear in the Appendix of today's RECORD.]

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain matter therein.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

BENEDICT ARNOLD BROADCASTERS FROM JAPAN

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CELLER. Mr. Speaker, several months ago the Attorney General of the United States brought an indictment for treason against a number of Benedict Arnold broadcasters who were habitually and are habitually broadcasting from Nazi-controlled Germany. There are similar rogues broadcasting by short wave frequently from Japan, and they have had the temerity and the audacity to speak in glowing terms about the perpetrators of the dreadful atrocities against our men, our soldiers, many of whom have gone through the valley of the shadow. I respectfully request that the Attorney General, even in absentia, bring a new indictment against these additional wretched Benedict Arnold broadcasters now in the pay of the Japanese jackals. Such indictment would remind these fiends of the enormity of their crime. Let an indictment for treason be the vile fruit of their rotten activities.

It is interesting to note that Foreign Secretary Anthony Eden has been asked in the House of Commons to consult with

the United States on a warning to Japan that the Allied agreement at Moscow to try German war criminals after the war also will be applied to the Japanese. I am sure that the United States will acquiesce in that proposal.

But specifically these radio traitors operating over Japanese short-wave radios; these American expatriates and scoundrels should be brought to book immediately. Indictments can easily be found against them, as in the case of the dastardly American expatriates broadcasting from Berlin, Rome, and Paris. Among the performers on the Japanese circuits to the United States are the following: Frances Hopkins, Mrs. Henry Topping, Frank Watnabe, Carl Flick-Steger, Don Chisholm, Charles Yoshii, Frank Johnson—alias Pat Kelly—Edward Kuroispi, and Herbert Moy.

All the above are mouthpieces for Hirohito. They are completely Japanese controlled. Typical of some of their broadcasts is the following:

When future historians write the history of the fundamental reasons underlying the present war they cannot overlook the magnanimity and patience with which Japan endured all the insults, and the justice of her cause. They will recall Japan's long-suffering efforts to have the American Government listen to reason. But Roosevelt was determined to go to war.

The Attorney General should lose no time, and indict these damnable scoundrels.

C. J. TOOLE

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 636) for the relief of C. J. Toole, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, strike out "\$1,000" and insert "\$500."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PAUL W. BUSBEY, MRS. PAUL W. BUSBEY, PAULA BUSBEY, AND MRS. LOUISA BUSBEY

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1344) for the relief of Paul W. Busbey, Mrs. Paul W. Busbey, Paula Busbey, and Mrs. Louisa Busbey, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 6, strike out "\$2,298.13" and insert "\$1,798.13."

Page 1, line 8, strike out "\$5,000" and insert "\$3,000."

Page 1, line 10, after "all", insert "their."

Page 1, line 10, after "claims", insert "including medical and hospital expenses."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CARL SWANSON, GERALDINE CECILIA SWANSON, A MINOR, AND ALMER SWANSON

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1875) for the relief of Carl Swanson, Geraldine Cecilia Swanson, a minor, and Almer Swanson, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 1, strike out "\$2,500" and insert "\$1,574.05."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MILLIONS IN THE SERVICE FACING ENEMY BULLETS SHOULD NOT BE DENIED A FEDERAL VOTING BALLOT

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a few telegrams and a few letters of the thousands of letters and telegrams I have received, urging me to vote for an amendment to the rule so as to provide a record vote on the soldier vote proposition.

Mr. RANKIN. Mr. Speaker, reserving the right to object, does the gentleman know if he puts the names of all those people in the RECORD that Walter Winchell will jump on him next Sunday night?

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix of today's RECORD.]

CORRECTION OF THE RECORD

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to correct the RECORD. On page 762 of the RECORD for January 26, it states that the gentleman from New York [Mr. FISH] yielded me 5 minutes. While we are all struggling to do things in as nonpartisan a way as possible, I think this goes a little beyond the point where people might be a little confused. As a matter of fact, it was the gentleman from Illinois [Mr. SABATH] who yielded me the time. I ask unanimous consent that the RECORD be corrected.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

JAPANESE ATROCITIES

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, it is quite impossible to put into words the intensity of America's bitter anger over the treatment of American prisoners of war by Japan. Even Pearl Harbor, as terrible as it was, will be easier to forget than this. There is a basic justice in this universe, and the day will come when those who have perpetrated these outrages will find they have done a thing that will bring dishonor and retribution upon their nation, such as nothing else could have brought upon them.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a news article which appeared in a recent issue of Stars and Stripes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

PERSECUTING GENTILES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, in a bitter blast over the radio last night Walter Winchell continued his persecution of white gentiles, centering his fire on me in particular. He said I was worth less to this country than a Negro soldier. I am sure there is not a soldier, black or white, who is doing this country as much harm as Walter Winchell.

He neither denied nor apologized for his reference to the Congress of the United States in which he called this body the "House of Reprehensibles."

I repeat what I said a few days ago that Walter Winchell is doing the Jews of this country, the people of his own race, more harm and is stirring up more trouble for them than any other man alive.

He repeated his false charge that I had sneered at other people's names. He even told the people of America that I had sneered at the name of the gentleman from Pennsylvania [Mr. SHERIDAN]. Members of this House know that statement is untrue.

This is the same persecution of Christian people that has been stirred up by this element in every country in the world. What good does it do to establish committees for peaceful relationship between the races while a man like Walter Winchell can go on the radio on a Nation-wide hook-up like the Blue Network and continue his tirades of vilification, falsehood, and abuse?

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—WORK PROJECTS ADMINISTRATION OF THE FEDERAL WORKS AGENCY (H. DOC. NO. 392)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:—

As required by the provisions of the Emergency Relief Appropriation Act, fiscal year 1943, I present herewith a report of the operations under funds appropriated to the Work Projects Administration of the Federal Works Agency by the Emergency Relief Appropriation Acts, fiscal years 1942 and 1943.

This report contains summary and detailed statements of expenditures made and obligations incurred by classes of projects and amounts as of November 30, 1943; and a brief statement of operations of the Work Projects Administration to the end of the fiscal year 1943.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 27, 1944.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a poem by Horace C. Carlisle.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the Retail Credit Institute of America.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

INDEPENDENT OFFICES APPROPRIATION BILL, 1945.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4070, the independent offices appropriation bill, 1945, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

For compensation of the Vice President of the United States, \$15,000.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. When will it be in order to move to strike out the last word and address the committee?

The CHAIRMAN. At the end of the paragraph being read.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

DELANDA EST CHARTA BLANCA—THE WHITE PAPER MUST BE DESTROYED

Mr. CELLER. Mr. Chairman, like a cool breeze in the heat of summer was the Presidential directive setting up the War Refugee Board. As encouraging was the statement of the White House emphasizing that "it was urgent that action be taken at once to forestall the plan of the Nazis to exterminate all Jews and other persecuted minorities in Europe."

The President at long last has recognized the failure of the Evian Conference on Refugees in 1938 and the fiasco of the refugee conference last year. Eight long years have elapsed since Evian. Millions have since been slain only because they were born Jews. The record of rescue is barren. The niceties of diplomacy at Evian and the banalities of the protocol at Bermuda cover the bullet holes of the victims.

The War Refugee Board will repeat the mockery of Bermuda and Evian unless it demands free and untrammelled immigration of Jews into Palestine—demands the simple justice of compelling Britain first, to abide by the Balfour Declaration which guarantees Palestine as a national homeland for the Jews, which declaration was abetted and approved by 52 nations; second, to respect the concurrent resolution of Congress adopted in 1922 favoring the reestablishment of the Jews in their ancient homeland in Palestine; third, to honor and maintain the integrity of the treaties solemnly entered into between Great Britain and the United States in 1924 wherein the Balfour Declaration was reaffirmed and wherein it was mutually agreed (a) that there could be no unilateral infraction of the treaty by either party, and (b) that there could be no discrimination as to immigration into Palestine of peoples on the grounds of race or religion.

The War Refugee Board must point out to John Bull in no uncertain terms that the Malcolm McDonald White Paper of 1939 issued by the British Colonial Office restricting immigration of Jews into Palestine to 75,000 in 5 years and stopping the entrance of all Jews into Palestine by March 1944, is a shocking violation of the aforesaid, first Balfour Declaration; second, concurrent resolution; third, Anglo-American Treaty in 1924.

The State Department has been strangely silent in the face of these violations. The War Refugee Board must shatter this conspiracy of silence. This offending White Paper of 1939 was not only rejected but also condemned by the Permanent Mandates Commission of the

League of Nations as a violation of Britain's mandate over Palestine. Scores of nations denounced Britain for her perfidy. Thus, a glorious opportunity is presented to the War Refugee Board to persuade the British Foreign Office to right the great wrong.

In a little over 1 month, Jews will be barlocked from Palestine. How ill have the Jews used Palestine that now the one open door must be slammed shut in their search for dignity and security? Indeed, they husbanded its arid soil, made it rich in the fruits of the earth. They built hospitals for Jews and Arabs alike. They brought music and science that had been left behind in civilization's march.

The British Colonial Office says, "Let the Jews go elsewhere." That is said in mocking parallel to, "Let them eat cake."

Many suggestions have been made for havens for Jews. How fruitful were these suggestions is revealed by the attitude tersely expressed by the Australian delegate at Evian. "Gentlemen," he said, "we in Australia have no racial problem, thank God. We do not intend to have one started." That summation is brilliant in its fervidity, finality and tragedy. Palestine is the only place where the Jews are not unwanted. Now, the White Paper even precludes. Palestine must be opened as a temporary, as well as a permanent, shelter. It has an absorptive capacity for 2,000,000 more Jews. Jews trapped by the Nazi jackals will manage to escape if they know Palestine is open. The underground will help them, just as our underground railway helped escaping slaves to the North before and during the Civil War.

Jews will make the anabasis to Palestine. No matter how perilous the trek may be, they will make it. Their nostalgia for their homeland will sustain them and they will go rejoicing and singing into Palestine.

Cato in the Roman Senate terminated all his speeches with the famous statement, "Delenda est Carthago—Carthage must be destroyed." Henceforth, I shall hurl maledictions and imprecations upon the damnable White Paper. I, too, shall terminate my remarks with the phrase, "Delenda est charta blanca—the White Paper must be destroyed."

The CHAIRMAN. The time of the gentleman from New York has expired. The Clerk read as follows:

For printing and binding, \$52,000.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I embrace this opportunity to put a few facts in the RECORD in connection with the Budget Bureau and the work it does under the act of 1921. First, let me say that the total amount of blank checks which we have given to the Executive since 1940 is \$570,812,000. That is a rather astonishing total. Of that amount, \$83,109,000 was still available as of December 1, 1943. That is a large amount of money for Congress to have appropriated for blank-check disposition by the Chief Executive.

The second item I think worthy of a spot in the RECORD for use as we go along is the amount of unobligated balances and contract authorizations out

of the appropriations and authorizations for the fiscal year 1944. You will find those listed in the hearings on pages 969 and 970. The total amount is \$98,319,000,000. That is the amount of money and the amount of authority Congress granted when the fiscal year 1944 began on July 1, and as of October 31, after 4 months had elapsed, there was still \$98,319,000,000 unobligated and unexpended. This is also a rather astonishing total of the amount of money and authority that is still unobligated as of that date.

The next thing to which I wish to call your attention is the enormous cost of printing and binding. This you will find on page 964 of the hearings. The overall cost of printing, binding, and processing for the fiscal year of 1943 was \$148,700,000. This represents a tremendous amount of Federal literature.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CHIPERFIELD. What happens to those unobligated amounts at the end of the fiscal year?

Mr. DIRKSEN. They expect to obligate some of them, of course, as they go along. The point I want to make is the enormous amount of unexpended money which has neither been expended nor earmarked for a purpose.

Mr. BENNETT of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BENNETT of Missouri. Can the gentleman tell me what kind of accounting the President has to make of these blank-check appropriations? Is it a detailed accounting?

Mr. DIRKSEN. In some instances, yes; in some cases, of course, where it has been surrounded with the cloak of secrecy for one purpose or another there will not be very much of an accounting. I suppose it will not be delineated in detail so we will know too much about it.

Mr. BENNETT of Missouri. Who determines whether or not it is an expenditure for a confidential purpose?

Mr. DIRKSEN. That, in the long run, I assume, will be determined by the General Accounting Office, and whether or not the law has been carried out.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RAMEY. What is meant by the phrase "surrounded by a cloak of secrecy"?

Mr. DIRKSEN. Let us assume for the moment that there is some kind of secret mission to be accomplished the details of which cannot be spelled out, but which will cost some money.

Mr. RAMEY. But that will be only a war matter.

Mr. DIRKSEN. That is right, but an examination of the allocations that have been made for that purpose went into the hundreds of millions, many of which in my judgment were not worthy of treatment that way and should have been handled by an appropriation of Congress rather than a blank check of the President. It should be handled so that all the people can see that the

money will be disbursed for the particular purpose intended by Congress.

The other item, to which I call attention makes rather interesting reading at page 958 of the hearings. A large industrial concern in New Jersey supplied a very carefully kept list of the memoranda, the directives, regulations, price schedules, orders, and everything else that it has received. It calls this Defense Memorandum No. 11. This is the text:

Vacation is all over. The bureaucrats and directive writers are back on the job.

The total received since Pearl Harbor is now 611.

The total received during September is 42, which is larger than any month since May.

Then they go on to list the types of literature they are receiving.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. DIRKSEN]?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, in this statement the author of this memorandum states:

With one exception there is nothing in the September directives that shows any real interest in production.

He goes on and in this memorandum No. 570 states:

War Production Board. Scheduling and shipping directions to manufacturers of rubber-processing machinery. Not pertinent to us.

No. 572:

Visit (including foreign nationals) to war plants. Inspections as to credentials. Nothing new.

Compare directives that they have received on the same subject before.

No. 578:

Plant protection conference. We are not interested. We comply with Second Service Command Instructions.

Compare previous memoranda.

No. 587:

Security letter No. 5b. Special black-out procedure. A rather confusing letter as to what we are supposed to do during black-outs. So we decided to stick to our present policy.

Compare two previous directives.

That is really a very engaging memorandum from an industry showing how they are beleaguered by reports and directives from the Federal Government only confusing rather than to energize war production.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CASE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in view of the reference to the emergency fund of the President, I want to have the record show that this bill does not carry any additions or implements to that fund. May I ask the chairman of the Subcommittee on Appropriations if that statement is not correct?

Mr. WOODRUM of Virginia. That is correct.

The pro forma amendment was withdrawn.

The Clerk read as follows:

CIVIL SERVICE COMMISSION

Salaries and expenses: For all expenses necessary for the work of the Civil Service Commission, including personal services in the District of Columbia; not to exceed \$5,000 for employment of expert examiners not in the Federal service on special subjects for which examiners within the service are not available; medical examinations; contract stenographic reporting services; traveling expenses, including those of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere, including not to exceed \$5,000 for expenses of attendance at meetings of organizations concerned with the work of the Commission; witness fees and mileage, including fees to deponents and persons taking depositions at rates paid in the courts of the United States; rental of equipment; laundry service; not to exceed \$10,000 for purchase and exchange of law-books, books of reference, newspapers, and periodicals; not to exceed \$200 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; charts; purchase, maintenance, and repair of motortrucks, motorcycles, and bicycles; not to exceed \$217,000 for printing and binding; \$6,056,473, of which not to exceed \$100,000 shall be available for reimbursement to the Veterans' Administration for services rendered the Commission in connection with physical examinations of applicants for and employees in the Federal classified service; not to exceed \$113,000 for performing the duties imposed upon the Civil Service Commission by the act of July 19, 1940 (54 Stat. 767); and not to exceed \$3,000 for actuarial services by contract, without regard to section 3709, Revised Statutes: *Provided*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the fiscal year ending June 30, 1945, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further*, That the Civil Service Commission shall have the power in case of emergency to transfer or detail any of its employees to or from its office or field force.

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 7, line 23, after the semicolon strike out "\$6,056,473" and insert "\$5,970,473."

Mr. TABER. Mr. Chairman, here I am trying to save \$86,000. On page 1053 of the hearings I read the following:

Mr. WIGGLESWORTH. I would like to get this board of legal examiners' picture clear in my mind. As I understand it, the requested appropriation of \$86,000 was denied pending the authorization of legislation?

Mr. FLEMMING. That is correct.

Mr. Chairman, a bill was put through the House authorizing this board of examiners, but it failed of passage in the Senate. They have set up that board and it has operated in such a way that any lawyer who aspires to get into the Government has to go through this board of legal examiners and, as a result, I am

advised, the kind of lawyers who believe in supporting the Constitution are not allowed to get on the pay roll.

It seems to me that we ought to save this \$86,000 and knock out the amount of money that they have put in as a sort of subterfuge in another way. They have asked legislation to authorize this, but the Congress did not provide the authorization.

Why should we not take this \$86,000 and put an end to this kind of a way of doing business. I hope the House will agree to my amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, in the first place there is only \$46,000 in this bill to be used by the Civil Service Commission for this purpose, not \$86,000.

In the second place, there has been some confusion over the fact that this board of legal examiners was set up by Executive order. Legislation passed the House creating the board of legal examiners and it has been sort of hanging in the balance. In the meantime, the board of legal examiners began to function for the purpose of trying to set up an unranked register of attorneys in order to select attorneys with some basis of civil-service qualifications rather than selecting attorneys for the Government Service by the old outmoded method of political patronage. But the legislation never was passed. The Senate did not report the bill.

The House Appropriations Committee acting under authority of the House told the Civil Service Commission and told the Department of Justice that they would not continue to make direct appropriations for the board of legal examiners after last year unless enabling legislation was passed. This legislation was not passed. So it left the Civil Service Commission somewhat up in the air. They still have to examine lawyers for a lawyer register.

There is \$46,000 in this bill which enables the Civil Service Commission to go ahead and examine applicants for legal positions and try to process them through in some logical manner rather than just take them on the basis that a man has a license to practice law, he is a lawyer, and if anybody wants to employ him they may employ him. There is only \$46,000 in this bill for that purpose. Our subcommittee has gone into that carefully and we have unanimously reported the bill as reported to the House.

Mr. TABER. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. On page 1054, Mr. Flemming makes this statement:

On personal services, it is \$65,000, but the \$86,000 includes both personal services and other obligations. That, however, is what was included in our estimates submitted in the supplemental request. We are now spending only \$46,940 a year for personnel.

I assume that means this year and that the other means the next year's set-up.

Mr. WOODRUM of Virginia. No; the \$46,000 is what is included in this bill for next year.

Mr. TABER. That does not include their other obligations?

Mr. WOODRUM of Virginia. That would only be printing and binding. It is practically nothing else.

Mr. TABER. It ran \$21,000 in the other bill.

Mr. WOODRUM of Virginia. Our committee went into that very carefully, Mr. Chairman, and the gentleman from South Dakota [Mr. CASE] and the gentleman from Massachusetts [Mr. WIGGLESWORTH] approved it the way we brought it to the Committee of the Whole, and I therefore hope the gentleman's amendment will not be agreed to.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 37, noes 41.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. TABER and Mr. WOODRUM of Virginia.

The Committee again divided; and the tellers reported that there were—ayes 57, noes 65.

So the amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this Chamber has resounded with assaults on bureaucracy from time to time, which is, after all, only the fruit of expanded Federal activity, but it occurs to me that the figures in connection therewith deserve a wider currency than they usually receive out of the voluminous hearings. I thought, therefore, I would implement the Record with just a few figures that might be of interest.

The total number of persons on the Federal civilian rolls as of October 1943 was 2,797,513. It is rather interesting to see how that number, in excess of 2,700,000, is apportioned. The Central Administrative Services now carry 4,570. The National War Labor Board has 5,540. The Office of War Information, under the gentle guidance and direction of Elmer Davis, has 3,460. That is a rather substantial personnel, and it is the equivalent of more than one military regiment of modern strength. The Office of Censorship lists 10,741 on its rolls. The Office of Price Administration as of that time had 53,933. I suggest the Members consult the hearings for the whole story.

You may be interested in the number of placements that will be made in the fiscal year 1945, to which this bill applies. Mr. Flemming, of the Civil Service Commission, indicated that there would be 1,485,000 placements for the fiscal year. This means new blood on the Federal pay roll; it means new faces in the Federal picture. It means replacement for those who have retired, for those who resign to go back to civilian life, or to go into the armed services, or who divest themselves of the Federal pay

roll for any other cause. So in 1945 we can be prepared, on the basis of their own figures, for 1,485,000 placements on the Federal rolls.

It is a rather astonishing total, after all, and the people of the country do have reason to protest to their elected law-makers when they think of nearly 3,000,000 people that are on the civilian rolls employed in one capacity and another. I assume that if our committee were sufficiently staffed with an adequate number of investigators to be able to make a constant survey and a close scrutiny of this whole picture, that number could be very materially reduced.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Michigan.

Mr. DONDERO. What does that amount to, in dollars and cents, per month?

Mr. DIRKSEN. Suppose you have 500,000 excess persons on the Federal rolls. Perhaps it is not that much, although the Byrd committee indicated that at least 300,000 could be removed without impairing the efficacy of governmental effort whether in the civilian or in the war field. But take 300,000 and multiply it by \$1,800, or, better, multiply it by \$2,000 a year. There you get a pretty fair idea of what the expenditure is. In the light of a debt that will approach two hundred and fifty-eight thousand million at the end of the next fiscal year and in the light of tax proposals which will increase the annual take from the American people by the Federal Government to approximately \$43,500,000,000, we have a solemn responsibility to save money wherever we can and to get rid of the unessentials and those who render no efficacious service.

I recommend to you, then, an examination of the tables on pages 1060 and 1061 of the hearings, where you get a statistical and, I think, rather a dramatic picture of bureaucracy in 1944.

The Clerk read as follows:

Salaries and expenses, national defense: For all expenses necessary to enable the Federal Communications Commission, without regard to section 3709 of the Revised Statutes, to perform its functions related to national defense, including radio monitoring and foreign broadcast analysis, including all of the items of expenditure for which the appropriation "Salaries and expenses, Federal Communications Commission", is available and not to exceed \$9,000 for salary of Director of the Foreign Broadcast Intelligence Service; not to exceed 20 passenger-carrying automobiles; not to exceed \$40,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to the civil service and classification laws and, in the case of language or other experts, without regard to any requirements of this act with respect to citizenship, where citizens qualified to perform such work are not available; and not to exceed \$24,200 for printing and binding, \$4,491,143: *Provided*, That upon the expiration of 60 days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.

Mr. WIGGLESWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, just for the sake of keeping the record straight, may I ask the distinguished chairman of the subcommittee the gentleman from Virginia [Mr. WOODRUM] if he will confirm the understanding that in reducing the appropriation for the Radio Intelligence Division of the F. C. C. by \$1,000,000 it was the intention of the committee to take the Federal Communications Commission out of the field of military and naval radio intelligence, and to make possible the transfer of the functions in the field to the Army and the Navy in accordance with the letter of February 1, 1943, of the Joint Chiefs of Staff—the letter of February 8, 1943, of the Secretary of War and the Secretary of the Navy—and the proposed Executive order referred to in the additional views set forth in the committee report.

Mr. WOODRUM of Virginia. Mr. Chairman, I shall answer the gentleman by reading from page 6 of the report of the committee, which is under my name and which represents the sentiments of a majority of the subcommittee, although, as I have explained, not my personal sentiments:

The committee believes that the statements and recommendations contained in the letters referred to give sufficient justification for the action it has recommended and it is of the belief that appropriate provision should be made at the earliest possible date to the end that the facilities of the Federal Communications Commission should not be used for purposes pertaining to the military unless specifically requested by the Joint Chiefs of Staff.

I think that answers the gentleman's question.

The Clerk read as follows:

FEDERAL HOME LOAN BANK ADMINISTRATION

Salaries and expenses: Not to exceed a total of \$11,353,825, to be derived from the same sources as the funds made available for administrative expenses of the Federal Home Loan Bank Administration, including the Federal Savings and Loan Insurance Corporation and the Home Owners' Loan Corporation, by the Independent Offices Appropriation Act, 1944, shall be available during the fiscal year 1945 for administrative expenses of the Federal Home Loan Bank Administration (Executive Order No. 9070 of February 24, 1942), which term and the term "Administration," wherever used herein, shall unless otherwise qualified include and apply to said corporations but shall be exclusive of any corporation organized in pursuance of authority contained in the act of May 16, 1918 (40 Stat. 550), and any amendments thereof, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the act of June 3, 1925, as amended (5 U. S. C. 821-833); expenses (not to exceed \$7,500) of attendance at meetings concerned with the work of said Administration when specifically authorized by the Administration; printing and binding; law-books, books of reference, and not to exceed \$1,250 for periodicals and newspapers; rent in the District of Columbia; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; payment, when specifically authorized by the administration, of actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons

serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the administration; use of the services and facilities of the Federal home-loan banks, Federal Reserve banks, and agencies of the Government, including the use of services and facilities within the Administration; the amounts so derived to be credited upon the books of the Treasurer of the United States in such account or accounts as the Administration may determine, and the Administration in its discretion may utilize the facilities of the Division of Disbursement of the Treasury Department for the disbursement of funds in or derived from such account or accounts relating to said corporations: *Provided*, That (1) all necessary expenses in connection with the liquidation of insured institutions, (2) all necessary expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to the Home Owners' Loan Corporation or in which it has an interest, and (3) all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as non-administrative expenses for the purposes hereof: *Provided further*, That except as herein otherwise provided, the administrative expenses and other obligations of the Administration shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421-1449), the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461-1468), and title IV of the National Housing Act of June 27, 1934, as amended (12 U. S. C. 1724-1730).

Mr. WOODRUM of Virginia. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM of Virginia: Page 39, line 13, strike out "\$11,353,825" and insert "\$10,553,825."

Mr. WOODRUM of Virginia. Mr. Chairman, this is a reduction of \$500,000 of the administration expenses of the Home Owners' Loan Corporation, which the committee feels can be justified, and still leave sufficient funds to carry on the affairs of that organization. The committee is unanimous in this opinion.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word. In connection with this item, let me bring two observations to the committee. The first one in my judgment is rather disturbing in the light of the concentration of powers in the Executive. When we passed the First War Powers Act, we conferred upon the Executive authority to consolidate and modify agencies of the Government, but inserted a provision to the effect that it should not apply to those organizations that had no particular relationship to the war. But it was under authority of the first section

of the First War Powers Act that the President relied in abolishing the Federal Home Loan Bank Board. That was a board created by statute, to administer the fiscal affairs of the home loan banking system, which serves the thrift institutions of the country as a discounting organization, like the Federal Reserve Bank System serves the banks of the country. I cannot find any justification for that action, and I cannot ascertain how they can make a war function out of that sort of thing, by summarily abolishing that and substituting a single Home Loan Bank Administrator, who happens to be the Chairman of the Board of the Home Owners' Loan Corporation. I requested the Attorney General for an opinion on that, and while he is under no obligation to render an opinion to a legislator, he indicated they were relying upon the First War Powers Act for authority to abolish this organization. There are hundreds of millions of dollars involved in this operation. It deals with home owners at the grass roots, and eminently deserves the best thought of a group, rather than of a single administrator, particularly a group familiar with the field of operations. Under that order the Board is abolished, and a single administrator takes its place. So I go on record as protesting that, and say it is not in conformity with the statute, and it is an exercise of power not delegated.

The second observation relates to the Home Owners' Loan Corporation.

It will be remembered that in 1943, in conference, it was provided that a plan was to be submitted by the H. O. L. C. for liquidation. That plan will be submitted shortly, and then we can take whatever action we are disposed to. I am interested in that not only because of the liquidation of the Home Owners' Loan Corporation, and the sale of these mortgages and accounts to the country, but in any future activities of the Home Owners' Loan Corporation, in any deal respecting credit. Recently I sent some letters to the country to ascertain two items: First, is there enough money in the country today to take over these mortgages; and, second, is there a disposition to do so? I think on the basis of the replies and other information that have been received from all parts of the country, it will show that probably \$10,000,000,000 are available in assets in thrift institutions and private financing institution to take over these mortgages; and secondly, there is a distinct willingness on the part of those who have so much money for which there is no market or outlet to invest in this type of credit. Finally I shall be much interested in what kind of activity will come about with respect to the financing of the building of homes for individual citizens in the post-war period. That to me is an essential field in which private finance ought to operate and I am very much interested in it. Already there is the incubation of an idea right now that public funds would invade that field to a larger extent than at present. That, however, is a matter for subsequent discussion.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. FORD. Would the gentleman's idea be that when this is taken over that the Government still will guarantee the loans?

Mr. DIRKSEN. No, they can take them over on the same maturities they have at the present time.

Mr. FORD. Without guarantee?

Mr. DIRKSEN. You take the Government out, and you put them on the same basis as any kind of home mortgage of which there are millions in the country at the present time being very well administered by thrift institutions.

Mr. FORD. I have a lot of communications from banking institutions and they feel that the mortgages should be guaranteed by the Government.

Mr. DIRKSEN. Insofar as I know the gentleman is the first one who has ever made that observation to me.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment. The House has just adopted an amendment which cut off \$500,000 from this appropriation, and I think that we should have a little bit of the picture of what there is today in the line of reduced activity, so that we will know that that cut was very conservative, and that it was nowhere near what ought to have been made, in order to provide these people with just enough funds to do what they need. It appears on page 532 of the hearings that the total outstanding of all types of mortgages is \$1,440,000,000. It appears that the rate of payment of these items is running for the year 1943 at \$188,000,000, and I am satisfied from what I have gotten from Mr. Fahy that the amount of payments this year will exceed that, and run probably \$225,000,000, or about 15-percent reduction in the number of mortgages and amount. On page 533 of the hearings appears the table as to the number of employees left. On page 531 appears the number of properties they had left at the end of the last fiscal year, 28,401. That has currently been reduced to 12,000. It will be further reduced by the items that are now in process by 2,000 and reduced beyond that by the 1st of July by 2,500 more. So that they will only have 7,500 properties on hand at that time.

Mr. Chairman, let us see the type of reduction that is proposed in the Budget. The property management on page 533 is to be reduced from 416 to 274, about 30 percent, with a 75-percent reduction in activity. On reconconditioning, 134 to 114, which is about a 15-percent reduction, with a 75-percent reduction in activity. With reference to appraisal, 77 to 68 in the field, or about a 10-percent reduction, with a 75-percent reduction in activity. On accounting, from 694 to 662, or about 5 percent, with about a 15-percent reduction in activity. Upon the work of the treasurer, 333 to 321, a 4-percent reduction with likewise about a 20-percent reduction in activity. In auditing, from 167 to 157, with at least a 20-percent reduction in activity.

The things I have called attention to indicate they could make a saving of at least \$1,500,000 in this. I hope that the management of the H. O. L. C. will take this to heart and make the saving in addition to the cut that has been made.

The CHAIRMAN. The time of the gentleman has expired.

[Mr. CRAWFORD addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. WHITE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and members of the Committee, there is a great drive on to skim the cream off the H. O. L. C. loans by the banks of this country, through a campaign, engineered by our good friend and colleague the gentleman from Illinois [Mr. DIRKSEN], who has got out a circular letter. I do not know what the postage bill has been or what it cost Uncle Sam to pay the postage on all those letters, but I have had 15 or 20 notices from banks in my district with reference to taking over these H. O. L. C. loans. The thing I want to know is where were these banks in 1933 when the women and children were weeping in distress because of the threatened loss of their homes, and when children and whole families were being evicted to the streets for the want of a little security, and a little help to pay the mortgages on their homes and to keep a roof over their heads. Under these old home loans by these private financing companies there was no amortization plan in most of them and the loans were falling due and the people were being set out in the street and it took action by Congress to save the situation, I think the gentleman from Illinois [Mr. DIRKSEN] and the eminent gentleman from New York were here and helped pass that measure. My bank recently in my own State wrote me on this subject. I want to read to you and to have appear in the RECORD my letter to the bank on this question:

JANUARY 24, 1944.

Mr. J. B. DOLLARD,
President, First Federal Savings
and Loan Association,
Boise, Idaho.

DEAR MR. DOLLARD: This is to acknowledge your letter of January 18, enclosing copy of a letter from Congressman DIRKSEN relative to the liquidation of the Home Owners' Loan Corporation.

I am not at all sure that an immediate liquidation of the H. O. L. C. would be beneficial to the taxpayers of the United States, and I will tell you why. The chief argument for liquidation is that the H. O. L. C. is in competition with private business, but since it has not made any loans since 1936 that argument is not valid.

H. O. L. C. should not be confused with other wartime emergency housing projects. It was set up in 1933 with a capital of \$200,000,000, which is still intact, and has never cost the taxpayers \$1 additional; while it did save the homes of something like 1,000,000 families, and incidentally bailed out some rather shaky building and loan companies by taking over their least desirable loans. Most of the H. O. L. C.'s losses were occasioned by its assistance to these private loan companies.

The great majority of the loans made by the H. O. L. C. (approximately two-thirds of all the money loaned by them) are not only

worth par, but a considerable premium above par, and, if the H. O. L. C. were forced to liquidate them at par, as suggested by Congressman DIRKSEN, the taxpayers would lose approximately \$400,000,000. Its liquidation would only result in the sale of these choice premium loans, and the H. O. L. C. would be left to use their far-flung organization to service only the poorer loans referred to above.

If the H. O. L. C. is allowed to continue in operation for the time anticipated by the Congress—until 1952—they will not only be able to return to the Public Treasury their original \$200,000,000 capital, but a nice profit on their operation. Since they are not in competition with private business, I can see no particular advantage in liquidating them at this time.

On the other hand, I can see a distinct disadvantage to present borrowers by forcing them to go to the expenses of refinancing their loans with private companies, while private purchasers of the choicest of the H. O. L. C. loans at par would make a very considerable profit at the expense of the taxpayers.

I have very recently taken occasion to look into the affairs of the H. O. L. C., and the above statements are my honest convictions on the subject. However, if you can furnish me any additional information, or show me where I have erred in my conclusions, I will appreciate it very much.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. WHITE. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WHITE. I wish to give you some statistics to show what they have done in the great State of Idaho, in relieving distress of home owners. Citizens of Idaho can take real pride in the way its home owners, who formerly were in distress and were helped by the Home Owners' Loan Corporation, have shown a determination to pay off their obligations. They are not only reducing their interest expense and increasing their equities but they are also by this process making a substantial contribution to the Nation's anti-inflation program of private debt reduction.

The total amount of outstanding loans of the Corporation in Idaho, together with the value of the properties acquired, has now been reduced through collections and the sale of its properties to a balance of \$3,090,040, equivalent to 64.8 percent. A total of 1,651 borrowers have paid their accounts in full, and approximately 309 borrowers are now making monthly payments in excess of the amount required under their contract. The Corporation was obliged to take over through foreclosure a total of 427 properties. As of September 30, 1943, all but 15 of these have been sold. From August 1939, pursuant to an act of Congress which authorized the extension of loans in justifiable cases from the original 15 years to a maximum of 25 years, a total of 500 loans of the Corporation in Idaho were extended.

Mr. Chairman, I would like for any other Government agency to show a record that compares with that.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, had it not been for the impractical and unbusinesslike conduction of affairs of the H. O. L. C. we would not today be faced with a deficit in that organization to the extent of approximately \$190,000,000.

I think the gentleman from Illinois [Mr. DIRKSEN] and the gentleman from Michigan [Mr. CRAWFORD] are doing a very well worth while service to the Nation in proposing that as soon as these individual loans can be turned over to our small banks throughout the Nation, allowing the banks to service them and to loan private money at similar rates of interest and under similar protection to the home owner, the better it will be for the taxpayers of America.

Mr. Chairman, I have received letters from the following bankers of the Seventh Congressional District of Minnesota in relation to Mr. DIRKSEN's proposal. They are all in full agreement that their banks be permitted to assume the loans in their various communities, upon which sufficient equity obtains so as to conform with our banking laws. These gentlemen feel, and I feel, that it would be a step toward encouraging private initiative and discouraging bureaucracy if private lending institutions could assume these loans, contingent, of course, that the owner of the home concerned be fully protected in his rights in every way.

Mr. W. A. Grunert, Security National Bank, Montevideo, Minn.

Mr. F. L. Collins, Security State Bank, Beardley, Minn.

Mr. D. S. Bjorgaard, State Bank of Cyrus, Minn.

Mr. N. H. Tallakson, Willmar, Minn.

Mr. C. C. Ersted, Farmers and Merchants State Bank, Donnelly, Minn.

Mr. Charles A. Uhley, Building and Loan Association, Slayton, Minn.

Mr. H. F. Engebretson, Lowry State Bank, Lowry, Minn.

Mr. Cleon C. Cook, Tracy, Minn.

The Clerk read as follows:

SECURITIES AND EXCHANGE COMMISSION

For salaries and expenses, including personal services in the District of Columbia, of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law, including employment of experts when necessary; contract stenographic reporting services; purchase and exchange of lawbooks, books of reference, directories, and periodicals; not to exceed \$1,000 for the purchase of newspapers; travel expenses, including the expense of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Securities and Exchange Commission; garage rental; foreign postage; mileage and witness fees; rental of equipment; operation, maintenance, and repair of one motor-propelled passenger-carrying vehicle; and purchase of rubber gloves; \$4,651,704.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 47, line 2, strike out the period and insert a colon and the following: "Provided, That no portion of these funds shall be used for the enforcement of rule X-14-

A-7 placed in effect by the Securities and Exchange Commission on January 24, 1943."

Mr. DIRKSEN. Mr. Chairman, in 1942, two bills were introduced, one from the Republican side and one from the Democratic side to suspend any application of the proposed new proxy rules by the Securities and Exchange Commission. The purpose of those bills, of course, was to give the Committee on Interstate and Foreign Commerce an opportunity thoroughly to examine and ventilate the proposals and their effect upon the general business structure of the country. Hearings were held and I think also some assurance was given that this proxy rule would not be put into effect until there had been a thorough exploration. In 2 days after the second session of the Seventy-seventh Congress recessed, however, those new rules were placed in effect. Since that time bills have again been introduced to suspend the operative effect of those rules until the Committee on Interstate and Foreign Commerce by itself or through a subcommittee could get a better look at this whole matter. I think it is rather an embarrassing thing, notwithstanding the justification of Mr. Purcell, who happens to be Chairman of the S. E. C., as to why and how it was done. He did state frankly that there was some misapprehension about the communications he had with the chairman of the Committee on Interstate and Foreign Commerce; but that fact does not obviate the other rather persuasive facts which are, first, that the new rules have been extremely restrictive in a time of war when our war industries ought not to be loaded up with a lot of paper work and with tremendously restrictive rules, since the old rules and practices were operating quite effectively.

Notwithstanding that, however, they imposed them. I tried to find out as best I could what force there was behind this action. Insofar as I could find out there were not to exceed 25 or 30 written demands of people throughout the country out of a total of more than 10,000,000 stockholders in the country who thought that those rules ought to be changed. The matter was in the hands of Mr. Freeman, who insofar as I know, is a very able fellow, but I certainly do not like the attitude expressed, because when this was done it appeared there was going to be a conflict between these rules and existing laws and in some cases between the Federal rule and the State law, his answer on January 20, 1942, which was made to the Committee on Interstate and Foreign Commerce was this:

We do make the law. If this request is followed it supersedes all laws that are contrary to it.

I think that is an unwarranted exercise of power. I say there was no necessity, certainly no proven necessity, for that action, particularly at a time when the industries of the country are laboring diligently to produce the instrumentalities of war and to make necessary equipment for those who are on freedom's frontier. At such a time there should not be imposed upon them new proxy rules

which are voluminous, which take time, which will cause a considerable set-back, which will be restrictive, which will require the services of additional lawyers, which means far more abstruse reports to stockholders than they ever got before, and in my considered judgment is not in the general welfare.

Here is a test of authority. If they had the right to make a law which supersedes anything else that we can do we ought to know it now; we ought to know the humble position we are in as the lawmaking branch of this Government. The only way I can figure out to meet this situation at the present time is to adopt a proviso that none of the funds shall be used for the purpose of enforcing this proxy rule. That will give a committee of this House a chance to go back to the Boren bill and the Wolverton bill and develop a new proxy set-up that can serve the people effectively. They should examine and find out whether or not there has been sufficient demand to justify what I regard as excessive and arbitrary action.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask recognition.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, I hope the Committee will not thoughtlessly adopt this amendment. It would have a very far-reaching effect on the operations of the Securities and Exchange Commission. The subject is highly controversial. You will find in the some 1,100 pages of the hearings before our subcommittee that it is not mentioned at all—no suggestion whatsoever before our subcommittee who heard the Securities and Exchange Commission, who heard Mr. Purcell, who went into all their affairs—not one syllable about any effort being made in this bill to write legislation which would affect the Securities and Exchange Commission and its operations. Let us see what it does.

The regulation which this limitation seeks to obviate or to prevent being applied is a regulation that the Securities and Exchange Commission put into effect, generally speaking, along this line: That before you can secure proxies from stockholders to vote them at meetings you must make a full disclosure to those stockholders as to the purpose of the business to be transacted at that meeting. Can you see why that ought to be done? Can you see the necessity? If you wanted to protect—

Mr. TABER. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New York.

Mr. TABER. The object of this regulation and the one which is in controversy is to require corporations to send out statements to be furnished to all

stockholders regardless of what those statements are. That is the one that makes the controversy.

Mr. WOODRUM of Virginia. If they want to get proxies from them, the purpose of it is obvious, and I would like to know who does not believe in that principle? It is to prevent a few men getting proxies from small stockholders all over the country and voting them in controlling the affairs of the corporation.

Mr. TABER. That is not correct.

Mr. WOODRUM of Virginia. I think that is the effect of it. It is a highly controversial proposition. Legislation has been introduced once and is now pending before the Interstate and Foreign Commerce Committee on this subject. They have already had hearings, they are going to have further hearings, and if this ought to be done I submit to the committee that the way is not to bring it in here when we are not fully informed on it. Perhaps I am not correctly informed, but that is my impression as to what it is.

Mr. PRIEST. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Tennessee.

Mr. PRIEST. I want to emphasize what the gentleman from Virginia has said about the complexity of this proposition. As a member of the subcommittee of the Interstate and Foreign Commerce Committee before which committee considerable hearings have been held, I realize more and more every day this is not a thing that can be decided very quickly. This committee has held rather extensive hearings, and I understand will hold some more. I may say to the gentleman from Illinois they will hold further hearings very shortly in an effort to bring out some general legislation dealing with this proxy question.

Mr. DIRKSEN. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Illinois.

Mr. DIRKSEN. Is not that the best possible argument for the adoption of this amendment, for before your committee ever concluded its hearings and 2 days after we adjourned in 1942 these new proxy rules which are a burden upon industry were imposed. My notion is that the S. E. C. certainly took unfair advantage of Congress at that time. Why did they not wait until you had concluded hearings on that matter?

Mr. WOODRUM of Virginia. I submit there is a right way and a wrong way to try to do things. It is not fair to the House, it is not fair to this committee, to bring an amendment on the floor of the House drastically changing existing law when there has been no consideration by the committee and no advance notice given by anybody as to the purpose of it.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment proposed by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 48, noes 50.

So the amendment was rejected.

The Clerk read as follows:

UNITED STATES MARITIME COMMISSION

To increase the construction fund established by the Merchant Marine Act, 1936, \$6,766,000,000: *Provided*, That the amount of contract authorizations contained in prior acts for ship construction and facilities incident thereto is hereby increased by \$5,700,000,000 (toward which \$4,665,390,499 is included in the amount appropriated herein): *Provided further*, That during the fiscal year 1945 not to exceed \$30,000,000 shall be available for administrative expenses of the United States Maritime Commission, including personal services at the seat of government; expenses of attendance (not to exceed \$3,800), when specifically authorized by the Chairman of the Commission, at meetings concerned with the work of the Commission; printing and binding; lawbooks and books of reference; periodicals and newspapers (not to exceed \$6,500); teletype services; purchase (not to exceed \$16,275), maintenance, repair, and operation of passenger-carrying automobiles; compensation as authorized by the act of August 4, 1939, for officers of the Army, Navy, and Marine Corps, or Coast Guard, detailed to the Commission; and not to exceed \$469,500 for the employment by contract or otherwise of persons, firms, or corporations for the performance of legal and other special services, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws: *Provided further*, That the amount which may be expended for administrative expenses in the fiscal year 1944 is hereby increased from \$23,000,000 to \$29,130,000.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 53, line 9, after the sum "\$29,130,000" and before the period, insert "*Provided further*, That no part of this appropriation shall be used for payment on account of the purchase of any ship at a price which includes any increment of value on account of any national emergency proclaimed on and after September 8, 1939."

Mr. DIRKSEN. Mr. Chairman, involved in this matter might be as much as several hundred million dollars and I think it commends itself to the interest of the House. It will be necessary to give you just a brief bit of background so you will understand fully what is involved here.

In 1936 when the Congress passed the Merchant Marine Act, it inserted a provision known as section 902 to the effect that whenever an emergency arose and it became necessary for the Government to requisition or to buy vessels from private owners in the interest of that emergency, there should be no enhancement of value and no unjust enrichment and that the value to be paid was to be fair value at the time of taking. That has been the law since 1936.

When the emergency therefore was proclaimed in September of 1939 we had to move out and buy vessels from private steamship lines. Admiral Land indicated in his testimony that about 4,000 vessels of all kinds, large and small, had been acquired. In many instances section 902 dealing with enhancement of value would not even figure in the matter. But it does figure in a good many and some of them have now challenged the interest of the Comptroller General.

He has ruled in some instances that there was proposed to be made a payment for a value over and above the fair value under that formula in the act of 1936.

I can illustrate that best by what I think is the documented fact. For instance, among others, we bought five vessels from the Waterman Steamship Line. They were built in 1920 and 1921. We paid, according to Admiral Land's testimony, \$3,374,000 for those vessels. Shortly thereafter other vessels of similar age were sold to the Waterman line for \$596,000. The question is, What was the fair value of the vessels purchased by the Maritime Commission at the time of taking?

That matter has been in a great deal of controversy. We ventilated it rather freely last year in connection with the hearings on the 1944 bill and we have had some testimony on it now. Admiral Land takes, I think, a forthright, but, in my judgment, also a mistaken position. He is of the opinion that as the act of 1936 stands it does not provide for adequate compensation to some of these vessel owners. In my judgment the larger aspect of this thing is to follow out what we wrote in the law. Certainly it would be unfair because of the operation of an emergency to pay enhanced values which arose only because of the emergency and not because the vessel has been physically improved in any way whatsoever.

The controversy raged on and on and finally a board of three judges in the District of Columbia was created by Executive order, very capable gentlemen, in the hope that this thing might be straightened out, and a suitable formula devised. But I noticed when they spelled out their formula it was not essentially different from the difficulties we had before, so that this controversy is still on today.

The General Accounting Office still insists, insofar as I know, that there have been overpayments, and frankly I do not know how to reach the matter in any other way except to put an amendment in this bill to provide that no funds shall be used to pay that enhanced value. That is not going to keep the Commission from finally paying for these vessels. It merely gives us a further chance to go into these acquisitions before they are closed, to find out whether or not the interest of the taxpayers and the Public Treasury is properly served. We ought to go into it thoroughly, determine whether or not that formula in the act of 1936 has been violated, and, if it has, bring it back to the high road of statutory enactment as indicated in the act of 1936.

This amendment provides that none of the funds appropriated in this bill for the Maritime Commission shall be used to pay the increment or the enhanced value. It will not prevent us from properly compensating the shipowners for the value of their vessels, but this is a question where this value is in controversy. It has been for a long time. The over-all total might reach as much as \$203,000,000 if every vessel were af-

fected, so it is something that we cannot dismiss lightly. I believe, therefore, that this proviso ought to be written into this bill in the interest of the Public Treasury.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BLAND. Mr. Chairman, I rise in opposition to the amendment.

(Mr. BLAND asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. BLAND. Mr. Chairman, there is no one question that has come before the Committee on the Merchant Marine and Fisheries that has received more careful consideration or given me more trouble than this language contained in section 902 of the Merchant Marine Act. Reference has been made to the controversy with reference to the Waterman Steamship Co. The Committee on the Merchant Marine and Fisheries submitted to this House a report on that subject under its investigational authority and differed from the conclusions of and findings of the Comptroller General. The committee has investigated the entire subject involved in this amendment.

There is a document which can be procured from the committee office, Document No. 50, which has gone into the full question of just compensation for ships, and the difficulties which arose as a result of section 902.

The Comptroller General held that the measure of compensation should be determined by value as of September 8, 1939, as I recall. That was the date of the limited emergency proclamation of the President, under which, I submit, there was no authority to requisition vessels except at the expressed direction of the President as to what should be requisitioned. That was a limited emergency.

In May 1941, there was a proclamation of unlimited emergency, under which all of the vessels that are in question here were requisitioned. In 1939 the value of the ships was at the lowest by reason of the Neutrality Act and various other acts. Shortly after the unlimited emergency proclamation of 1941 the value of the ships rose to the highest. All ships were taken after 1942, and generally when values were at their highest.

So far as I can see, and I think the committee document to which I have referred will absolutely convince you, there was involved a conflict between the Constitution of the United States and the language that was placed in the act. The Constitution of the United States in one of its amendments provides that just compensation must be paid for property at the time it is taken, and the Supreme Court of the United States and the courts of the country generally have held that just compensation cannot be limited to the contrary legislation or otherwise.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Illinois.

Mr. CHURCH. Was the report the gentleman has just mentioned as coming from the committee a unanimous report of the committee or substantially so?

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield to me to answer that question?

Mr. BLAND. Yes.

Mr. RAMSPECK. The gentleman from Virginia was not here at the time that report was adopted. It was not a unanimous report. The gentleman from California [Mr. WELCH] filed some minority views.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from South Dakota.

Mr. CASE. Is it not true that the Comptroller General has found that in some instances the Maritime Commission bought ships and paid for them more than their appraised value, when the Maritime Commission also had the right to take them under the emergency powers?

Mr. BLAND. That is answered in one of the reports submitted, and, in my opinion, the provision did not apply that they should be paid for at a price lower than their value at the time they were taken.

Mr. CASE. The Comptroller General's opinion was controlling in the matter, was it not, or should it not be controlling?

Mr. BLAND. No; the Comptroller General's opinion is not controlling. It is advisory and wisely so. It was carefully considered by the committee and a report made against it. I deny that the decision of the Comptroller General was controlling on the Maritime Commission though it was desired to conform with it so far as the Constitution would permit.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. BLAND. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Illinois.

Mr. DIRKSEN. Let me say to my friend from Virginia and everybody else on the floor that what we are trying to do here is not to penalize anybody, we are trying to resolve what is a very difficult matter.

First, my friend from Virginia will admit that section 902 provides that the vessel owners, where their vessels are taken, shall receive the fair cash value at the time of taking.

Mr. BLAND. I do not recall the exact language. If the gentleman has it, I should be glad if he would read it. I am speaking now from my recollection of many months past. When action was finally taken I was in Florida under the doctor's orders.

Mr. DIRKSEN. That is what the law states, the fair value at the time of taking.

Secondly, I think we are in agreement that Mr. Land has stated—and maybe there is some warrant for his statement—that it would cause injustice in some

cases. That does not, however, obviate the fact that here we are dealing with the Merchant Marine Act of 1936, which states that the fair cash value at the time of taking shall apply. When the Comptroller General interprets that language, that is how he arrives at the conclusion that there has been an overpayment, and the same thing may apply to hundreds of vessels for which payment has not yet been made. This thing ought to be thoroughly ventilated, and they should be prevented from making this payment until the Congress can get a better look at it.

Mr. BLAND. I submit it has been thoroughly ventilated by the Committee on the Merchant Marine and Fisheries. It has been heard fully in every respect and from every angle. The report is in the House and has been here for months—no, I am mistaken; there was no report filed on just compensation, as I recall it.

Mr. DIRKSEN. That is right.

Mr. BLAND. Reports were made on the charges found against the Waterman Co., Baltimore Mail Line, Tampa Shipyard, and some others, but the complication became so great, as to section 902, that under the authority vested in him, the Chief Executive issued an Executive order appointing three of the greatest judges in the United States—Judge Hutchinson, of Texas; Judge Parker, of North Carolina; and Judge Hand, of New York, to consider the problems involved and provide a formula for payment of ships. That committee met, went through the whole proceeding, and rendered a formula under which it is proposed to make settlement and under which settlements are being made.

Mr. Chairman, if there is one thing that contributed more than any other to the necessity of my going to Florida and being away from this House for some weeks, it was my attempt to reconcile section 902 with existing constitutional provisions and to find a solution for these questions. The situation as it was developed before the committee was that if the constitutional provision was followed, it could be enforced by each one of these people accepting 75 percent of what might be ascertained to be due them by the Maritime Commission and by their then going into court and bringing suit. The information before the committee was that great injustice was being done to many people, including many small fishermen, many who could not afford to go into the Court of Claims, small claimants, because the amount involved was beneath the amount required to give the Court of Claims jurisdiction and the cost would be prohibitive. Of course, the larger vessel owners had the right to do that also, but they did not wish to sue the Government or assume an antagonistic position if an adjustment could be made with the Maritime Commission which would be fair value at the time of taking, though in excess of section 902 as interpreted by the Comptroller General. It appeared that a settlement could be made with the Maritime Commission that would be millions less than if the owners were compelled to resort to go into courts. The President, I

have no doubt, saw this, and I am sure that for this reason he issued the Executive order. I know I saw it, and there will be found in the CONGRESSIONAL RECORD an extension of remarks by me discussing the order, approving it, and expressing my conviction that it was. The matter that was troubling me most was how to save to the taxpayers of this country the vast amount over and in excess of the payment that would be paid under the policy that would be adopted if this course were pursued.

Mr. WOODRUM of Virginia. The gentleman does not think this amendment ought to be adopted on an ex parte consideration of this kind.

Mr. BLAND. Absolutely not. It would block settlements. If these people are forced into court, let me tell you right now that we will have a repetition of World War No. 1. You are going to pay out far more money than under the procedure adopted here.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. BLAND. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection? There was no objection.

Mr. BLAND. Even if this can be enforced, because the action taken by the Chief Executive was under a law that had been passed by this Congress, it will prove suicidal. I am willing to go along with the Appropriations Committee, as far as I can, but to have them come in here now and undo this settlement without a hearing is wrong. Let them read committee document No. 50 and the evidence taken by the Committee on the Merchant Marine and Fisheries and they will have before them the entire problem in all of its ramifications.

Mr. DIRKSEN. I am just as anxious as the gentleman from Virginia to see the question resolved and it seems to me the proper thing to do is first to adopt this amendment, and then have the gentleman's committee examine and if necessary revise the language of section 902, so that these payments may be made in accordance with the statutes.

Mr. BLAND. When the matter was before us I very carefully considered the question of proposing an amendment to section 902, and the Senate subcommittee did propose one but I became convinced that there was no practical way to work that out by amendment.

Mr. DIRKSEN. I believe it is practical. Of course, it can be revised, but what we have now is an executive agency interpreting section 902 and proposing, because they deem it unreasonable, without any consideration of the Supreme Court, to pay more than what the section calls for.

Mr. BLAND. Let me tell the gentleman that a report was submitted in the Waterman case, and I understand that the Attorney General was of opinion that no suit could be maintained under the report of the General Accounting Office in that case. I hope this amendment will not be adopted. Of course, we will undertake to do whatever Con-

gress demands, but if you pass this amendment you are imposing on the taxpayers of the country millions of dollars by its adoption.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. TABER. Mr. Chairman, I move to strike out the last word. The Comptroller General has gone into this situation very carefully, and he has made a report. Part of that report, and a good part of the operations of the Maritime Commission which has come into criticism appear on pages 834 to 837 of the RECORD, put into the RECORD during the remarks of the gentleman from Massachusetts [Mr. WIGGLESWORTH] on Friday last. It appears certain ships were owned by the Waterman Steamship Co., on which subsidies had been paid by the United States Government, and those ships the Government had an option on to take over, at a certain price. That is the cost price less the construction subsidy from year to year. On one ship the cost price less the construction subsidy left the value of \$42,863.60. That ship was built in 1920, and the price paid by the Commission was \$660,000, or 15 times the amount of the value prescribed by the Merchant Marine Act. That is the kind of thing that this amendment seeks to stop.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. BLAND. Has the gentleman read the report of the House committee?

Mr. TABER. Yes; and the minority report of the gentleman from California [Mr. WELCH], which supports the findings of the Comptroller General.

Mr. BLAND. Has the gentleman read the findings of the Comptroller General?

Mr. TABER. Yes.

Mr. BLAND. My recollection is that there was money put into the building of ships that were being built by the Waterman Line, and that they were taken over and a reduction made in the price by reason of that.

Mr. TABER. I have no recollection of that, but it may be so. These people bought five old ships for a price altogether of \$3,333,470, and they sold other ships not so old at that time to the Waterman company for \$596,000. I want to see the Maritime Commission have every consideration that is possible. On the other hand I do not like to see anyone, no matter who it is, taking advantage of the Government at this time. For instance, here is an item of the Morgan Line, where the valuation, according to the book value rules of Order No. 24, of the ship *El Capitan*, built in 1917, was \$32,000, which they took over for \$486,000 in 1941, when it was 24 years old. The question here involved is whether you want to stop that sort of thing.

Mr. BLAND. Does the gentleman feel that the book value always determines the value of these properties where there is an increase by reason of economic conditions?

Mr. TABER. In these cases where the book value is arrived at as a result of

subsidies which have been paid by this Government toward construction. That makes a situation where, over a long period of years, at the request of the Merchant Marine and Fisheries Committee, we have paid to these ship operators construction subsidies to set them up in business, and then, instead of using those construction subsidies to reduce the value of that ship, if we want to take it over on our option, we waive those construction subsidies and go along and pay the full value of the ship. In other words, that makes the Government of the United States pay twice for the same ship, and that is the thing that bothers me, and that is the thing that I think bothers the gentleman from Illinois [Mr. DIRKSEN].

Mr. BOYKIN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. BOYKIN. I happen to know about that. Those ships had been put up and had not been used for 25 years. They tried to sell them to everybody in the United States. I personally phoned to Mr. Roberts, of the Waterman Ship Co., and asked him if he could not use them, and he said he could. He came up here, and he accepted them from the Government. Nothing had been subsidized, and he would not agree to take any subsidy. It is the only ship company that does not accept it. After he got the ships they were no good, but he spent thousands of dollars. They were no-account ships, and they were sent back to the Government, and the Government made the price on them. They had nothing to do with it.

Mr. TABER. Why was that not explained to the Comptroller? Why did the Comptroller ever make that report?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am opposed to this amendment, first for the reason of the principle involved. I am thoroughly opposed to the practice which is growing more prevalent here of the members of the Appropriations Committee undertaking to take away the jurisdiction of legislative committees by limitation.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. WOODRUM of Virginia. The same committee that reported this bill unanimously reported it without any kind of amendment, so the gentleman will not charge that to the committee.

Mr. RAMSPECK. I am glad the gentleman from Virginia said what he did, because I am directing my remarks to the amendment of the gentleman from Illinois [Mr. DIRKSEN]. While I have the highest regard for the gentleman and personally am very fond of him, it looks to me as if since he became candidate for President he is trying to run the entire Government here by limitations on appropriation bills. This is a very intricate subject. I say to the gentleman, I have given some study to it and some thought to it. The gentleman from Virginia [Mr. BLAND] gave so much study and atten-

tion to it he almost broke his health down. The other members of the committee, including the very able Republican members, gave considerable thought and study to it. While it is true that on the Waterman case and one or two other specific cases the gentleman from California [Mr. WELCH] did file a minority view, the remainder of the committee were in agreement as to those reports. I am not sure and I would not undertake to speak for the gentleman from California as to this question of valuation of ships, but the principle was not involved in the reports on which he filed his minority views.

This amendment goes to the principle of the legal question involved and in an effort to resolve this question there was appointed a board of three of the finest judges we have in the Federal system, Judge Hutcheson, of Texas, a member of the Fifth Circuit Court of Appeals; Judge Parker, of North Carolina, and Judge Hand, of New York. Nobody can say these men had any interest except to find what the facts were in those cases. They have rendered their decisions. The Maritime Commission, as I understand it, is trying to carry it out. It certainly does not seem proper nor wise to me for this committee to take snap judgment on a limitation amendment proposed by the gentleman from Illinois, undertaking to upset the ruling of that learned board composed of three eminent jurists and overrule them without having all the facts before it and without having had the advantage of studying the question as they have.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. WIGGLESWORTH. Will the gentleman inform the House just what the ruling of that board was?

Mr. RAMSPECK. I do not have the ruling before me and I would not undertake to quote it from memory.

Mr. BLAND. Mr. Chairman, will the gentleman yield for an observation?

Mr. RAMSPECK. I yield.

Mr. BLAND. It prescribed a formula whereby settlement should be made for these ships and that is proceeding now. This amendment would just throw the whole situation into chaos.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield further?

Mr. RAMSPECK. I yield.

Mr. WIGGLESWORTH. Will the gentleman state whether he thinks the ruling of that Board of three judges in any way clarifies the legal question which is before the House at this time?

Mr. RAMSPECK. Yes; I think so. It sets up a formula by which they can make these payments. That is what we wanted to do.

Mr. WIGGLESWORTH. And it still leaves, unless I misunderstand it, the burden of what is enhancement on the shoulders of the Maritime Commission, which is just where it was before they handed down their opinion.

Mr. RAMSPECK. That may be true. But certainly we cannot undertake here on the floor of the House to resolve that question. Three learned jurists have passed on it after careful study. Their

opinion has been upheld by former Attorney General Mitchell, as I understand it, who has the same views on it as stated by Admiral Land before your subcommittee. I have a record of the hearings here, on page 771. The gentleman from Illinois is asking this committee, without knowing about the facts and not having an opportunity to study it, to write a new formula and overrule that Board and put a limitation here, which is not the proper way to legislate in the first place, and in the second place it is asking the Members of Congress to pass on a very controversial and very technical question involving intricate questions of law without any study of it, without any opportunity to go into it, and without any committee reporting on it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RAMSPECK. I say to you gentlemen it is not in keeping with the responsibility of a legislative body to undertake to legislate in that way.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DIRKSEN. In the first place, let me remind my friend from Georgia that the Board that was set up by the President is an advisory board. They undertook, insofar as possible, to lend advice and spell out, if they could, this formula. But the fact remains, and the gentleman must admit it, that the Comptroller General still sits on the other end, and that, notwithstanding any interpretation of this Board, there is the clear-cut and unmistakable language of the act of 1936. Nobody will deny that it is clear, and that the only reason for trying to get around it is that some individual feels that it would do inequity to some shipowners. I do not say it would not, but you have by far a more resolute proposition today, and that is to torpedo a statute of Congress by Executive action. That is what is proposed to be done, in my judgment. This does not stop it. This just stops the operation until such time as this thing can be resolved according to law.

Mr. RAMSPECK. The gentleman may find I am on the same side of the fence as he is about the interpretation of the law, but I am talking about the way you are trying to remedy it. We have a legislative committee in the House and the Senate both to deal with this thing. We have the Comptroller General, who can stand his ground and disapprove any payments he thinks are not properly made. The advisory opinion of this Board does not overrule the Comptroller. But you are asking the Congress by a limitation on the appropriation bill to do something in 5 or 10 or 15- or 20 minutes that the legislative committees have not been able to resolve after weeks of study, a question that has been passed on by a board which has studied the case. I think it is inadvisable to act in that way.

The CHAIRMAN. The time of the gentleman has expired.

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 56, noes 65.

So the amendment was rejected.

The Clerk read as follows:

SEC. 107. If at any time during the fiscal year 1945 the termination of the act entitled "An act to provide temporary additional compensation for employees in the Postal Service," approved April 9, 1943, or of the act entitled "An act to provide for the payment of overtime compensation to Government employees, and for other purposes," approved May 7, 1943, shall be fixed by concurrent resolution of the Congress at a date earlier than June 30, 1945, the appropriations contained in this act shall cease to be available on such earlier date for obligation for the purposes of the terminated act and the unobligated portions of appropriations allocated for the purposes of such terminated act shall not be obligated for any other purposes of the appropriation during the fiscal year 1945.

Mr. WOODRUM of Virginia. Mr. Chairman, title II, carries general provisions that have been carried in this bill for quite a while. I do not imagine it will be necessary to have them read unless some Member thinks they should be.

Mr. CASE. Mr. Chairman, I merely wish to reserve the right to offer an amendment adding a new section.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that title II be considered as read, and that amendment to title II be in order.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that title II be considered as read and that amendments to title II may be in order.

Is there objection?

There was no objection.

Mr. CASE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE: On page 69, after line 7, insert a new section as follows:

"Sec. 212 (a). After January 1, 1945, and until the cessation of hostilities in the present war, funds appropriated in this act shall not be available for the preparation of pay rolls to per annum employees of the United States whose duty stations are in the continental United States, more frequently than once per month."

Mr. CASE. Mr. Chairman, this amendment offers an opportunity to save approximately half a million dollars per annum.

I am going to ask you to follow the amendment rather closely as I reread it because it has been drawn to meet some of the questions that have been raised in connection with the discussion of the matter. Let me say at the outset also that this is not any particular secret amendment. All through the hearings it will be noted that questions were asked of representatives of various Federal agencies about the semimonthly pay roll as contrasted with a monthly pay roll. Mention of it has also been made in at

least two or three of the columns conducted in Washington newspapers relating to Federal employees.

The amendment is particularly designed to give notice of its effect, for it would not be effective until January 1, 1945, and would continue in effect until the cessation of hostilities in the present war. It directs:

After January 1, 1945, and until the cessation of hostilities, funds appropriated in this act shall not be available for the preparation of pay rolls to pay per annum employees of the United States whose duty stations are in continental United States more frequently than once per month.

Briefly, the purpose of the amendment is to make it possible for the Federal agencies to get caught up on their pay rolls and to save money and manpower. When I asked the General Accounting Office about the situation we learned that the General Accounting Office is now behind in its audit by 145,000,000 checks. It has a backlog today that is twice what it was a year ago. I call attention to the testimony contained in the general statement of the representative of the Accounting Office on page 802 of the hearing, in which it is stated:

Approximately 75,000,000 checks were processed by the Check Accounting Section of the Reconciliation and Clearance Division during the fiscal year 1943 and the present backlog is estimated at 40,000,000 checks in that section. There are approximately 105,000,000 checks being held in the Treasury Department due to the fact that the Treasurer's Office has for various reasons been unable to state the accounts, which makes a total backlog of about 145,000,000 checks, or nearly twice the total number processed in the fiscal year 1943.

After going into detail to describe increasing duties they conclude with this statement:

By taking all of these factors into consideration, it is estimated that there will be a total of 200,000,000 checks for reconciliation during the fiscal year 1944, and 250,000,000 during the fiscal year 1945.

In other words, during the fiscal year 1945, there will be 250,000,000 checks to audit and they have been able to audit 75,000,000 checks a year.

After I went into this matter I was interested to learn that the distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], had been interested in this proposition last year. At that time he asked various agencies to make an estimate of the savings that would be effected by use of a monthly pay roll instead of semimonthly under present conditions. Their reply, summed up, stated that there were some objections to making the change, particularly at that time because last summer the withholding tax had just been put into operation. It was thought there might be some hardship on the employees in making an adjustment in switching over to getting paid only once a month instead of twice a month since they were starting the deductions for the withholding tax. They estimated, however, that in the General Accounting Office alone it would mean a saving of \$250,000 a year, and that in other agencies savings would amount to at least \$200,000.

When I questioned the General Accounting Office during our hearings, they said that the amount saved under present conditions would be even more. I call your attention to the statement of the General Accounting Office which appears in the record at page 829. In specific answer to this question the General Accounting Office said:

It would be difficult to determine the savings in the auditing of pay rolls of the various Government offices and establishments if submitted on a monthly instead of a semi-monthly basis due to the lack of any experience which might serve as a guide. It cannot be said that there will be a reduction of 50 percent of the present cost of auditing pay rolls for the reason that there will of necessity be many advance payments made prior to the end of the pay period. Such instances are unavoidable in cases of dire need or distress. A rough approximation of the savings in the General Accounting Office in the services of auditors and assistant auditors would be about \$275,000 for a fiscal year under present conditions.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CASE. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CASE. In other words, this is a little heavier work period in which the savings would be more. Those of you who have witnessed the time that is consumed in making pay rolls should be impressed by this proposition. I might say that I have had communications come to me from employees in various Federal agencies, all of them in favor of the idea. All of them have said that the waste has been apparent to them. One girl said that she handled about 2,600 accounts in an executive office, that the work involved was so great that before she had time to clear up her backlog another pay day was on her.

This proposal is made to save personnel and to give the General Accounting Office a chance to get caught up, and to save at the rate of approximately half a million dollars per annum. It would not go into effect until January 1, 1945, giving employees a chance to adjust their budgets, and would cease with the cessation of hostilities. Every employee would thus get more than 6 months' notice and have a chance to adjust his bill paying. Nobody's salary is cut. But it will save money for the taxpayers. This is a proposal to save the expense and manpower the Federal Government is put to in handling a double pay roll at a time when the Government needs to save both.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, my distinguished friend from South Dakota is such a useful Member of this House and he is so industrious and so thoughtful that any proposal he might seriously make should challenge our careful thought and consideration. As he said, during the hearings on this bill he asked many questions of the various departments about this proposal of whether or not it would be feasible to change our method of paying Federal employees from a semimonthly basis to a monthly basis.

In the first place, let me direct your attention to two or three reasons why I think this amendment should not be adopted. In the first place, if adopted it would apply only to the agencies in this bill. We would have to adopt a similar amendment in every other appropriation bill as we passed it in order to effectuate the savings of which the gentleman speaks. In the second place, this amendment would not save half a million dollars, for it would apply only to the agencies carried in this bill.

Such a procedure invoked generally by the Congress now would create nothing short of consternation and confusion in the Federal service, especially among the lower-paid employees. It would affect all employees in the navy yards, the Government Printing Office, and the ordnance arsenals and manufacturing depots, and all of that vast army of low-paid employees who rely upon getting their checks weekly, biweekly, and semimonthly.

Mr. CASE. Mr. Chairman, will the gentleman yield briefly at that point?

Mr. WOODRUM of Virginia. I yield.

Mr. CASE. The gentleman will note that my amendment carries the qualification "per annum"; it does not apply to per diem employees.

Mr. WOODRUM of Virginia. But many of these people are per annum employees. This subject has been so vital that many of the States have adopted State statutes. The State of South Dakota has a statute compelling employees, manual and clerical, of every person, firm, and corporation offering a public service or railroad in that State to be paid semimonthly. We have the same kind of a statute in Virginia compelling them to pay twice a month for the reason these low-paid people cannot get along with one pay check a month.

I have in my hand a number of letters from various groups, which I will put in the RECORD so we will have it there. Hearing of this proposal, they became alarmed about it.

I have a letter here from the National Federation of Federal Employees signed by Mr. Luther C. Steward, protesting very vigorously against inaugurating this policy unless there are wide-open hearings and some effort and opportunity given to the employees to be heard on the subject.

I have a similar letter from the Association of Letter Carriers, the Railway Mail Association, the American Federation of Government Employees, and the

National Federation of Post Office Clerks. Those organizations, hearing of the suggestion that this amendment might be offered, registered their protests against it, and I will insert the letters in the RECORD.

(The letters referred to are as follows:)

NATIONAL FEDERATION OF
FEDERAL EMPLOYEES,
Washington, D. C., January 24, 1944.
Hon. CLIFTON A. WOODRUM,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN WOODRUM: In limited areas of the Federal service the pay periods have been changed from semimonthly to monthly, and there is evident some disposition to extend this change so as to make it applicable to all civilian Federal employees.

The reason assigned by proponents of the longer pay period is the saving in cost to the Federal Government. We feel definitely that any such proponents fail to take into consideration the grave results which would inevitably flow should a pay period longer than 15 days be established. The vast majority of civilian Federal employees are in the lower salary brackets and theirs is, of necessity, a hand-to-mouth economy. They have no surplus to tide them over, and their existence is geared to meeting their personal and family financial outlays on a twice-a-month standard. It is difficult almost to the point of impossibility for such low-paid employees to readjust their expenditures to a longer pay period and the evident outcome would be to drive large numbers of this necessitous group into the hands of money lenders whose offers of loans at high interest rates are all too frequently the precursor to complete financial ruin.

It is our understanding that many State legislatures made aware of such potential danger have enacted laws requiring all employers to pay their employees at least every 15 days.

We feel that the Federal Government, as an employer, should lead, rather than resurrect bad practices which have been discarded because of the evident unfairness to low-wage and salary groups.

Our reason for addressing you is because, as chairman of the subcommittee having charge of the appropriations for many Federal agencies, your committee is in a position to exercise a potent influence to protect low-paid employees from a proposal which, however well intended, is supported by a specious reason only and would, if extended, do irreparable damage.

Sincerely,

LUTHER C. STEWARD,
President.

AMERICAN FEDERATION OF
GOVERNMENT EMPLOYEES,
Washington, D. C., January 28, 1944.
Hon. CLIFTON A. WOODRUM,

Chairman, Subcommittee on
Appropriations for Independent
Offices, House of Representatives,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: It has come to our attention that efforts would be made to amend the appropriation bill for independent offices and establishments to the effect that the pay rolls for Government employees shall hereafter be made out once a month, instead of twice a month. In other words, bringing to Government employees a monthly pay check rather than a semimonthly pay check.

As we view the subject, nothing could do more to destroy morale among Government employees at this time than to interfere with their regular pay days. Already, by reason of the high cost of living and the various deductions being made for bonds, etc., they are

having a hard time to stretch their pay even over a period of 2 weeks without borrowing or without establishing credit in department and grocery stores.

In addition to this, I call your attention to the further fact that many of these employees have commitments in which they have agreed to make certain papers on the 1st and 15th of each month, and to disturb this set-up would cause no end of trouble. On the other hand, nothing can be gained on the part of the Government in stretching the pay rolls to monthly rather than semimonthly payments, as we have noticed that the Secretary of the Treasury has already established machinery which not only writes checks, but sorts them out and adds them up at the same time and thus greatly increases the efficiency of the disbursing office of the Treasury.

We hope you will use your best endeavors to defeat the amendment if and when it is offered.

Very sincerely,

JAMES B. BURNS,
National President.

NATIONAL ASSOCIATION
OF LETTER CARRIERS,
Washington, D. C., January 26, 1944.
Hon. CLIFTON A. WOODRUM,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: It has been brought to our attention that when the independent offices appropriation bill is considered by the House that a member of the House Appropriations Committee intends to offer an amendment providing for a monthly instead of a semimonthly pay for all Government employees.

As a representative of some 65,000 letter carriers I desire to protest the adoption of any such amendment as we believe that it would result in considerable financial harm to the membership of our association, most of whom now find it difficult to live from pay to pay. The National Association of Letter Carriers at numerous conventions have unanimously gone on record as being in favor of a weekly instead of a semimonthly pay. You can therefore see from the above the exact sentiment of our membership. The reason for favoring the weekly pay is that it would make it possible for the letter carriers to promptly pay their bills, but if a monthly pay were inaugurated it would result in letter carriers being required to incur a large number of bills which they would be unable to pay until the end of the month, and not alone would it cause hardship to the letter carrier but it would also cause a hardship upon the merchants with whom they do business. As chairman of the subcommittee handling the independent offices appropriation bill, we express the hope that you will be able to prevent the adoption of the proposed amendment.

Thanking you for the assistance that you have rendered the letter carriers in the past, and hoping for a continuation of same, I am,

Very truly yours,

CLARENCE F. STINEON,
Assistant Secretary.

RAILWAY MAIL ASSOCIATION,
Washington, D. C., January 27, 1944.
Hon. CLIFTON A. WOODRUM,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN WOODRUM: We have been informed that an amendment is to be offered to the independent offices appropriation bill to provide for the payment of salaries of Government employees on a monthly basis in lieu of a semimonthly basis.

In behalf of 22,251 members of the Railway Mail Association, who are employees of the Post Office Department in the Railway Mail

Service, permit me to register our objection to the proposed change.

The policy of semimonthly pay periods has been in effect in the Government service for a great many years.

The employees have adjusted their budgets accordingly and depend upon these regular semimonthly pay periods to meet their living expenses, commitments, and obligations that have been incurred.

Practically all large industries and employers of labor have either a semimonthly pay period or a weekly pay period and their experience has been that this practice results in a more satisfied personnel. Many employers have found a weekly pay period to be the most satisfactory solution to this question.

To establish a monthly pay period for Government employees would, it is believed, seriously impair the morale of the employees and constitute a deterrent to increased productivity because of the dissatisfaction and discontent that would be engendered by such a change.

May we respectfully request the retention of the semimonthly pay period in the Government service.

Sincerely yours,

C. M. HARVEY,
President.

NATIONAL FEDERATION
OF POST OFFICE CLERKS,

Washington, D. C., January 27, 1944.

HON. CLIFTON A. WOODRUM,
Member of Congress,

New House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: I am advised that sometime during the consideration by the House of the independent offices appropriation bill an amendment will be offered to provide for monthly pay days for Government employees. At present such employees are paid on a semimonthly basis which has been the practice over a long period of years. In my opinion such an amendment would be very unsatisfactory to Government employees for the following reasons:

1. Some States, I understand, have weekly pay-day laws and the enactment of such amendment would seriously conflict with such laws.

2. While the contention may be offered that a budget system could be set up by the employees on a monthly pay-day basis, we believe that it would be difficult in many instances for this to be accomplished. Human nature being as it is, many employees would, in all probability, be short of funds within a short period of time after each pay day. This would prevent them from taking advantage of the many worth-while weekly sales that are put on by many department stores each week.

3. Small stores are now generally abolishing credit business and this would naturally work an additional hardship on employees paid on a monthly basis.

4. Over a long period of years Government employees have planned their budget on a semimonthly pay day and have accordingly made definite commitments and established obligations which they are compelled to meet semimonthly. To change now from a semimonthly pay day would necessitate a renegotiation of such contracts which, in many instances, might cause serious embarrassment to Government employees.

5. In our opinion the approval of such an amendment would not in any way be a saving. If thereby a few dollars would be saved to the Government, it would be distinctly offset in efficiency and a lowered morale among Government employees.

For these reasons we shall very greatly appreciate it if you will use your influence

to defeat such an amendment in the event it is offered.

Sincerely yours,

WM. I. HORNER,
Legislative Representative.

Mr. RAMSPECK. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Georgia.

Mr. RAMSPECK. I want to make the same protest against this amendment that I made against the Dirksen amendment awhile ago, and that is that such legislation should not be added to an appropriation bill without hearing and opportunity to go into all the details. I am afraid that what would happen in this case would be that you would throw all of the lower-paid employees into the hands of the loan sharks and create bad morale in the Government service.

Mr. WOODRUM of Virginia. I thank the gentleman.

Mr. Chairman, this matter was investigated by the Treasury Department, the General Accounting Office, and the Bureau of the Budget, and, under leave of the House, I will insert the letters which they wrote to the chairman of the full Appropriations Committee in August 1943 in which they go over the matter. They state that while it is true there probably would be a small saving made in the preparation of the pay roll, yet the other resultant disadvantages and hardships that would be worked on the low-paid employees would certainly not compensate for the saving.

(The letters referred to are as follows:)

TREASURY DEPARTMENT,
Washington, August 16, 1943.

HON. CLARENCE CANNON,
Chairman, Committee on Appropriations,
House of Representatives.

MY DEAR MR. CHAIRMAN: On January 18, 1943, you wrote a letter to the Treasury stating that you had been in receipt of correspondence asking why the Government issued salary checks every 2 weeks instead of every month. It was suggested that accounting, paper and printing, personnel, and banking services would be greatly conserved by a monthly instead of a semimonthly payment basis.

Upon receipt of your letter the Bureau of the Budget, the General Accounting Office, and the Treasury Department made a joint study of the suggestion. It appears, however, from this study that the hardships which would be imposed upon employees of the Government and the effect of these hardships upon their morale and efficiency would greatly outweigh the saving of administrative expenses which would inure to the Government.

As you suggest in your letter, the general practice of industry is to pay more frequently than the Government now does. With larger taxes, War Savings bond purchases, and increases in the cost of living, many employees in the lower salary ranges would find it extremely difficult to adjust their family budgets in the change-over from a semimonthly to a monthly salary payment basis.

Upon first examination it may appear that the reducing of the number of pay days would result in a large saving to the Government. Upon closer examination, however, it will be found that the saving would be relatively small. Most of the pay-roll expense is in the various Federal bureaus and offices where the time and leave records are maintained. A monthly roll would not, of course, reduce the

work of maintaining data on which the pay rolls are based. Moreover, in many of the bureaus and offices the pay-roll work is performed by an employee who is also engaged upon other duties. In such cases there would be no dollar saving by changing the roll from a semimonthly to a monthly basis for the reason that no actual reduction in personnel could be effected. The change from a semimonthly to a monthly basis would, of course, relieve pressure of work in some of the agencies, but, generally speaking, it was found in the joint study by the Bureau of the Budget, the General Accounting Office, and the Treasury Department that the agencies were not favorable to a monthly pay roll, principally upon the grounds that it would work hardship upon their employees and would adversely affect their morale and efficiency. It also appeared from the information submitted by them that the estimated savings were much smaller than had been anticipated.

One of the difficulties which arises in connection with the present pay-roll procedure is that employees are paid promptly on the last day of the pay-roll period. This requires administrative agencies to prepare their rolls several days in advance, and the checks must be prepared before the end of the pay period.

Because of resignations, leave without pay, etc., many of the rolls must subsequently be changed, checks canceled, and new checks issued. This increases pay-roll work and involves some additional expense. The question of deferring the semimonthly pay days for a reasonable time after the close of the pay period would generally be acceptable to the various agencies, but might involve some hardship to the employees in the lower salary groups. This matter, however, will receive further consideration, but it is felt that action should be withheld until there can be reasonable assurance that the morale of the employees will not be too adversely affected.

With kind personal regards, I am

Very sincerely yours,

D. W. BELL,
Acting Secretary of the Treasury.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 10, 1943.
HON. CLARENCE CANNON,
Chairman, Appropriations Committee,
House of Representatives,
Washington, D. C.

DEAR MR. CANNON: Reference is made to your letter of January 18, 1943, and to my reply of January 29, relative to suggestions received by you concerning the possibility of paying Government employees on a monthly instead of a semimonthly basis.

As indicated in my letter, steps were subsequently taken to explore this and related subjects in conjunction with the General Accounting Office and the Treasury Department. Attached is a summary report of the interdepartmental committee appointed to conduct the survey.

The committee found that there was almost unanimous opposition to the monthly pay day, largely because of the hardship it would work on the great majority of employees, especially during a period when their net cash income has already been drastically reduced through tax and other deductions in the face of increasing living costs. Also, the estimates of savings due to a single monthly pay roll were much smaller than had been anticipated.

On the other hand, the committee ascertained that the proposal to defer semimonthly pay days for a reasonable time after the close of the pay period would not be generally opposed by the agencies and that it would further the interests of good administration; but the suggestion was made that the introduction of even a moderate lag

of as much as 9 days might well be deferred until more normal conditions prevail. I agree that no action should be taken until we can have reasonable assurance that employees' morale will not be too adversely affected.

This letter and attached report has been informally cleared with the Treasury Department.

Very truly yours,
HAROLD D. SMITH, *Director*.

Mr. McCORMACK. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If anything, the tendency is toward payment of salaries weekly. If that could be done rather than making it monthly it would be better, because these per annum employees and their families have economic problems just the same as all of us. My observation and my experience is that the men would like to get their pay weekly where they now get it semimonthly, if that could be done.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The amendment was rejected.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and Mr. McCORMACK having taken the chair as Speaker pro tempore, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4070), making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the bill and amendment to final passage. The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to

revise and extend the remarks I made in the Committee of the Whole today and to include certain letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from certain letters in connection with the H. O. L. C.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. H. CARL ANDERSEN]?

There was no objection.

JAPANESE ATROCITIES TO PRISONERS OF WAR

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the House passed House Resolution 424, authorizing the printing of the report of the War and Navy Departments, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina to vacate the proceedings of the House whereby an amendment was agreed to and the resolution adopted as amended?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing I report (Rept. No. 1031) back favorably without amendment, a privileged resolution (H. Res. 424) authorizing the printing of the reports of the War and Navy Departments containing stories of Japanese atrocities and brutalities to the American and Philippine armed forces, who were prisoners of war in the Philippine Islands, as a House document, and for additional copies thereof, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the reports of the War and Navy Departments containing stories of Japanese atrocities and brutalities to the American and Philippine armed forces who were prisoners of war in the Philippine Islands be printed as a House document, and that 50,000 additional copies be printed for the use of the House document room.

Mr. BULWINKLE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BULWINKLE: On page 1, line 6, strike out the period, insert a colon, and the following: "Provided, That each Member of the House of Representatives shall receive 100 copies thereof."

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from North Carolina [Mr. BULWINKLE].

The amendment was agreed to.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. ROLPH]?

There was no objection.

HOUSING IN THE SAN FRANCISCO BAY AREA

Mr. ROLPH. Mr. Speaker, San Francisco metropolitan bay area has increased more in population than any other section of the country. Housing situation in our community is extremely acute. Resolution adopted by a number of civic bodies in the San Francisco bay area reads as follows:

Whereas the official United States Census releases indicate that the San Francisco metropolitan counties have experienced since 1940 the greatest numerical civilian population increase among 137 metropolitan areas of the Nation, and it has been shown that a large percentage will remain in this area after the war; and

Whereas the war-housing program now nearing completion has provided only minimum and temporary shelter for a limited number of residents; and

Whereas there is a strong desire to check inflationary values of old homes by providing new housing to meet the demand of the San Francisco market for homes in the medium bracket; and

Whereas there are responsible builders in the San Francisco congested production area, who have capable organizations and construction crews of older men not adaptable to war production, and who are adequately financed to carry on a private program of reasonable proportions that would be beneficial in relieving the critical housing needs; and

Whereas it will require some 3 to 4 months to prepare plans and develop sites for home-building operations after authorization, before actual construction can get under way: Now, therefore, be it

Resolved, That all restrictions, including priorities of materials, allocations of housing units, and certifications of home buyers, regulating home building be removed immediately to permit home building by private enterprise, using private capital, to supply sufficient new homes to overcome the dangerous shortage of housing in the San Francisco bay area; and further

Resolved, That the War Production Board assign a representative to meet immediately with representatives of the San Francisco bay area home-building industry to plan for the earliest possible resumption of unrestricted private home building in this critical area.

The above resolution is adopted by the following: Board of Supervisors, City and County of San Francisco; San Francisco Chamber of Commerce; Residential Development Committee, Oakland Chamber of Commerce; Berkeley Chamber of Commerce; Vallejo Chamber of Commerce; Napa Chamber of Commerce; Petaluma Chamber of Commerce; Martinez Chamber of Commerce; Livermore Chamber of Commerce; Niles Chamber of Commerce; San Leandro Chamber of Commerce; Santa Clara Chamber of Commerce; San Mateo Chamber of Commerce; Burlingame Chamber of Commerce; San Francisco Real Estate Board; Oakland Real Estate Board; Berkeley Real Estate Board; San Mateo Real Estate Board; Associated Home Builders of San Francisco; Associated Home Builders of Alameda County; Peninsula General Contractors' and Builders' Association; Marin Builders' and Contractors' Association; San Francisco Housing Authority; San Francisco Planning and Housing Association; San Francisco Housing Conference Committees on New Housing and Conversions; Girls' and Women's Housing Bureau.

I urge that the Banking and Currency Committee of the House and the Federal authorities concerned with housing give earnest and immediate attention to the above resolution.

EXTENSION OF REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a very scholarly article on the freedom of man's will by the Reverend John Edward Coogan, S. J., director of the department of sociology of the University of Detroit. This article, which appeared in Federal Probation, touches on the very vital subject of man's responsibility for his actions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two brief newspaper clippings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. SHORT]?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point on the subject of steel fractures on ships.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

STEEL FRACTURES ON SHIPS

Mr. BLAND. Mr. Speaker, the papers last Saturday carried a report of an American-built Liberty ship under the Russian flag breaking in two.

This, I find, was traveling in ballast in a convoy and for several days before the first evidence of failure had been encountered mounting seas.

The first evidence of failure occurred at 1210 on December 11, immediately following the crash of a gigantic wave on the bow of the vessel. A loud report followed the crash over the bow, and it was found a crack had developed in the deck plates ahead of the bridge. A call was made for help from other vessels in the convoy, and it was 20 hours later before a line could be passed to the damaged ship. Three heavy lines in succession were snapped off by the pitching due to heavy seas.

Almost 48 hours after the first crack developed the bow section broke away from the stern in the still heavy seas.

Both sections remained afloat and were both subsequently towed into port. There was no loss of life.

When the call came for mass production of ships it was not a call that brooked any delay. We all realized that it was ships, ships, and more ships only that could quell the ever-growing cry, "Too little and too late." No matter how much war material we had or could produce, it was the number of ships

available for transportation that would tip the balance scales on the battlefields.

In 1941 existing merchant shipyards not already converted to naval building were overloaded by the acceleration of the Commission's long-range program, and it was necessary to build new yards for the construction of the Liberty ship. Starting from scratch, it was possible to design these facilities primarily for high rates of output. In the development of the shipyard lay-outs the Commission and the shipbuilders drew upon lessons learned in the ship-construction program of the last war, upon experience gained in the revival of the industry during the past 5 years, and as well on the latest advancements of manufacturing and construction methods in other fields. As production in these new shipyards has increased, other lessons learned have been embodied in improvements, until today the construction of Liberty ships on the east, west, and Gulf coasts has broken record after record with respect to both building time and tonnage output.

Naturally, the many technological developments of recent years have contributed much to the present shipbuilding program. It is also true that shipbuilding, in turn, has contributed to many of those developments. Welding is an outstanding example. It has speeded ship construction, both through facilitating prefabrication, and by simplifying many tasks which formerly were difficult and time-consuming. The welded ship is lighter than its predecessor and, under comparable conditions, costs less to build. Its ability to withstand damage from bombs and torpedoes is remarkable. The vast majority of today's shipyard workers had to be trained for their jobs in a hurry, and welding has proven splendidly adapted to the rapid training of a new generation of shipbuilders. It is no exaggeration to say that many ships now in service would still be under construction if the shipbuilding industry had not recognized and exploited the potentialities of welding. At the same time, it seems entirely probable that shipbuilding has become one of the greatest single factors in advancing both the application and the techniques of electric-arc welding.

Liberty ships, famous with the public for their mass production on the weld type of construction, and for meeting a critical need of prosecution of the war, are also making fine records in service, the story of which cannot be completely told until after the war.

Some rumors are prevalent in certain shipyards and port areas which question the structural strength of Liberty ships, as well as tankers, ore carriers, and other types. I desire to present the following facts:

Structural difficulties due to welding on vessels being built by the Maritime Commission has been thoroughly examined and, considering the large number of ships that have been built are relatively few.

Of the over 2,200 ships delivered into service in 1943, only 3.29 percent have suffered damage to the main hull structure because of the stress of wind,

weather, and the seas, and ships have suffered such damage ever since man put their craft on the sea.

Only 4 out of 1,776 Liberty ships were so severely damaged in very heavy weather that they foundered and became total losses. This is only 0.224 percent of the total Liberty ships placed in service up to the end of 1943. One of these vessels, shortly before sailing on her last voyage, was subjected to heavy bombing attacks and suffered a number of near-bomb misses. With the exception of the 4 vessels lost, practically all damaged vessels have been repaired and are again in successful operation.

There have been no losses of personnel except in one case of a vessel foundering in Alaskan waters. A lifeboat, containing 10 members of the crew abandoning the ship, has not been accounted for.

In comparing yards where welding is largely used, a careful examination has shown that percentagewise there is little preponderance of one yard over another, for ship failures. The structural difficulties have been fairly well distributed throughout the United States, and this includes yards which are credited with a production of a large number of ships.

Viewing the subject from the type of ships, the highest percentage of failures took place in the ore carriers, which are built on the Lakes; most of these casualties were corrected during construction and all are operating satisfactorily.

In emergency production on such a vast scale, and with the great increase in the employment of welding, many difficulties were faced and most of them have been overcome. In the spring and summer of 1943 a number of corrective steps were taken which will materially reduce the number of structural failures. Today, difficulties are generally found in those ships built previously to the application of these corrective steps. If ships are already in service, corrective changes are made when they are next in port, but it is necessary to keep in mind that there must be a minimum of interference with the demands for transportation during these critical days of the war.

In order to further remedy this situation, instructions have been issued by the Maritime Commission to all yards building Liberty ships to make additional modifications which is believed will prevent any small crack in plating which might develop, because of locked-up stresses or other causes, from growing into a serious matter. These instructions have also been issued to make similar modifications on ships in commission which will be carried out as rapidly as practicable.

Proper loading of vessels, especially when they operate in ballast, is an important factor. Many months ago specific instructions were given as to proper loading and in most cases these instructions have been carried out. In a few cases improper loading has definitely contributed to failures.

While the Maritime Commission records are far more complete on ships built by the Commission than they are

1-

A
2

1

78TH CONGRESS
2^D SESSION

H. R. 4070

IN THE SENATE OF THE UNITED STATES

FEBRUARY 1 (legislative day, JANUARY 24), 1944

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Execu-
5 tive Office and sundry independent executive bureaus, boards,
6 commissions, and offices, for the fiscal year ending June 30,
7 1945, namely:

1 TITLE I

2 EXECUTIVE OFFICE OF THE PRESIDENT

3 COMPENSATION OF THE PRESIDENT AND VICE PRESIDENT

4 For compensation of the President of the United States,
5 \$75,000.

6 For compensation of the Vice President of the United
7 States, \$15,000.

8 THE WHITE HOUSE OFFICE

9 Salaries: For personal services in the office of the Pres-
10 ident, including the Secretary to the President, two addi-
11 tional secretaries to the President and six administrative
12 assistants to the President at \$10,000 each; \$256,431: *Pro-*
13 *vided*, That employees of the executive departments and other
14 establishments of the executive branch of the Government
15 may be detailed from time to time to the office of the Presi-
16 dent of the United States for such temporary assistance as
17 may be deemed necessary.

18 Contingent expenses: For contingent expenses of The
19 White House Office, including stationery, record books, tele-
20 grams, telephones, books for library, furniture and carpets
21 for offices, automobiles, expenses of garage, including labor,
22 special services, and miscellaneous items to be expended in
23 the discretion of the President, \$50,000.

24 For printing and binding, \$2,700.

25 Traveling expenses: For traveling and official enter-

1 tainment expenses of the President of the United States, to
2 be expended in his discretion and accounted for on his
3 certificate solely, \$30,000.

4 EXECUTIVE MANSION AND GROUNDS

5 For the care, maintenance, repair and alteration, re-
6 furnishing, improvement, heating and lighting, including
7 electric power and fixtures of the Executive Mansion and
8 the Executive Mansion grounds, and traveling expenses, to
9 be expended as the President may determine, notwithstand-
10 ing the provisions of any other Act, \$150,000.

11 BUREAU OF THE BUDGET

12 Salaries and expenses: For all expenses necessary for
13 the work of the Bureau of the Budget, including personal
14 services in the District of Columbia and elsewhere, contract
15 stenographic reporting services, traveling expenses, includ-
16 ing expenses of attendance at meetings when necessary in
17 furthering the work of the Bureau of the Budget, lawbooks,
18 books of reference, periodicals and newspapers (not ex-
19 ceeding \$500), teletype news service, maintenance, repair,
20 and operation of three passenger-carrying automobiles for
21 official use, and not to exceed \$55,000 for temporary
22 employment of persons or organizations by contract
23 or otherwise without regard to section 3709 of the
24 Revised Statutes, or the Classification Act of 1923, as

1 amended, \$2,290,340, of which \$44,940 shall be allocated
2 to the Federal Board of Hospitalization.

3 For printing and binding, \$52,000.

4 National defense activities: For all necessary expenses
5 of the Bureau of the Budget in the performance of activities
6 relating to the national defense, including all the objects
7 for which the appropriation "Salaries and expenses, Bureau
8 of the Budget" is available, and including the temporary
9 employment (not exceeding \$65,000) of persons or
10 organizations by contract or otherwise, without regard
11 to section 3709 of the Revised Statutes and the Classification
12 Act of 1923, as amended; the employment of persons, includ-
13 ing State, county, or municipal officers and employees, with
14 or without compensation; and the payment of actual trans-
15 portation and other necessary expenses and not to exceed
16 \$10 per diem in lieu of subsistence of persons serving, while
17 away from their homes without other compensation from
18 the United States, in an advisory capacity to the Bureau,
19 \$879,800.

20 INDEPENDENT ESTABLISHMENTS

21 AMERICAN BATTLE MONUMENTS COMMISSION

22 For all expenses necessary for the work of the Ameri-
23 can Battle Monuments Commission authorized by the Act
24 of March 4, 1923 (36 U. S. C. 121-138), and by Execu-

1 tive Order Numbered 6614 of February 26, 1934, including
2 the acquisition of land or interest in land in foreign countries
3 for carrying out the purposes of said Act and Executive
4 Order without submission to the Attorney General of the
5 United States under the provisions of section 355 of the
6 Revised Statutes (34 U. S. C. 520; 40 U. S. C. 255) ;
7 employment of personal services in the District of Columbia
8 and elsewhere; purchase and repair of uniforms for caretakers
9 of national cemeteries and monuments in Europe at a cost
10 not exceeding \$500; travel expenses; rent of office and
11 garage space in foreign countries which may be paid for
12 in advance; the maintenance, repair, and operation of motor-
13 propelled passenger-carrying vehicles which may be fur-
14 nished to the Commission by other departments of the
15 Government or acquired by purchase; printing, binding,
16 engraving, lithographing, photographing, and typewriting,
17 including the publication of information concerning the
18 American activities, battlefields, memorials, and cemeteries
19 in Europe; transfer of household goods and effects as pro-
20 vided by the Act of October 10, 1940, and regulations
21 promulgated thereunder, and, when ordered or approved
22 by the Commission, expenses of travel of dependents of
23 employees when transferred from one official station to an-
24 other, and the temporary transfer of employees by the

1 Commission between places in foreign countries or between
2 foreign countries and the United States, including transfers
3 incident thereto, or, in the case of new appointments, trans-
4 fer from place of appointment, may, if ordered or approved
5 by the Commission, be regarded as a transfer from one offi-
6 cial station to another for permanent duty for the purpose
7 of authorizing the payment of travel of dependents and for
8 the purposes of said Act of October 10, 1940, and regula-
9 tions promulgated thereunder; and the purchase of maps,
10 textbooks, newspapers and periodicals; \$41,785: *Provided*,
11 That notwithstanding the requirements of existing laws or
12 regulations, and under such terms and conditions as the
13 Commission may in its discretion deem necessary and proper,
14 the Commission may contract for work, supplies, materials,
15 and equipment in Europe and engage, by contract or other-
16 wise, the services of architects, firms of architects, and other
17 technical and professional personnel: *Provided further*, That
18 when traveling on business of the Commission, officers of
19 the Army serving as members or as secretary of the Com-
20 mission may be reimbursed for expenses as provided for
21 civilian members of the Commission: *And provided further*,
22 That the Commission may delegate to its chairman, secre-
23 tary, or officials in charge of either its Washington or Paris
24 offices, under such terms and conditions as it may prescribe,
25 such of its authority as it may deem necessary and proper.

CIVIL SERVICE COMMISSION

Salaries and expenses: For all expenses necessary for the work of the Civil Service Commission, including personal services in the District of Columbia; not to exceed \$5,000 for employment of expert examiners not in the Federal service on special subjects for which examiners within the service are not available; medical examinations; contract stenographic reporting services; traveling expenses, including those of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere, including not to exceed \$5,000 for expenses of attendance at meetings of organizations concerned with the work of the Commission; witness fees and mileage, including fees to deponents and persons taking depositions, at rates paid in the courts of the United States; rental of equipment; laundry service; not to exceed \$10,000 for purchase and exchange of lawbooks, books of reference, newspapers, and periodicals; not to exceed \$200 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; charts; purchase, maintenance, and repair of motortrucks, motorcycles, and bicycles; not to exceed \$217,000 for printing and binding; \$6,056,473. of which not to exceed \$100,000 shall be available for reimbursement to the Veterans' Administration for services ren-

1 dered the Commission in connection with physical examina-
2 tions of applicants for and employees in the Federal classified
3 service; not to exceed \$113,000 for performing the duties im-
4 posed upon the Civil Service Commission by the Act of July
5 19, 1940 (54 Stat. 767); and not to exceed \$3,000 for ac-
6 tual services by contract, without regard to section 3709,
7 Revised Statutes: *Provided*, That no details from any execu-
8 tive department or independent establishment in the District
9 of Columbia or elsewhere to the Commission's central office
10 in Washington or to any of its regional offices shall be made
11 during the fiscal year ending June 30, 1945, but this shall
12 not affect the making of details for service as members of the
13 boards of examiners outside the immediate offices of the
14 regional directors, nor shall it affect the making of details of
15 persons qualified to serve as expert examiners on special sub-
16 jects: *Provided further*, That the Civil Service Commission
17 shall have power in case of emergency to transfer or detail
18 any of its employees to or from its office or field force.

19 Salaries and expenses, national defense: For all necessary
20 expenses of the Civil Service Commission in connection with
21 the recruitment and placement of civilian personnel required
22 in connection with emergencies affecting the national security
23 and defense, including personal services in the District of
24 Columbia, traveling expenses; and other items otherwise

1 properly chargeable to appropriations of the Civil Service
2 Commission for salaries and expenses and not to exceed \$50,-
3 000 for printing and binding, \$12,995,504: *Provided*, That
4 upon the expiration of sixty days after the cessation of hos-
5 tilities between the United States and the principal enemy
6 powers or after the date of an armistice between the United
7 States and the principal enemy powers, this appropriation
8 shall cease to be available for obligations unless Congress
9 shall otherwise provide by law.

10 CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

11 For financing of the liability of the United States,
12 created by the Act entitled "An Act for the retirement of
13 employees in the classified civil service, and for other pur-
14 poses", approved May 22, 1920, and Acts amendatory
15 thereof (38 U. S. C. 11), \$194,500,000, which amount shall
16 be placed to the credit of the "civil-service retirement and
17 disability fund".

18 CANAL ZONE RETIREMENT AND DISABILITY FUND

19 For financing of the liability of the United States,
20 created by the Act entitled "An Act for the retirement of
21 employees of the Panama Canal and the Panama Railroad
22 Company, on the Isthmus of Panama, who are citizens of the
23 United States", approved March 2, 1931, and Acts
24 amendatory thereof (48 U. S. C. 1371n), \$1,177,000,

1 which amount shall be placed to the credit of the "Canal
2 Zone retirement and disability fund".

3 ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

4 For financing of the liability of the United States created
5 by the Act entitled "An Act for the retirement of employees
6 of the Alaska Railroad, Territory of Alaska, who are citizens
7 of the United States", approved June 29, 1936 (49 Stat.
8 2017), \$175,000, which amount shall be placed to the
9 credit of the "Alaska Railroad retirement and disability
10 fund."

11 FEDERAL COMMUNICATIONS COMMISSION

12 Salaries and expenses: For salaries and expenses of the
13 Federal Communications Commission in performing the
14 duties imposed by the Communications Act of 1934, ap-
15 proved June 19, 1934 (48 Stat. 1064), the Ship Act of
16 1910, approved June 24, 1910, as amended (46 U. S. C.
17 484-487), the International Radiotelegraphic Convention
18 (45 Stat., pt. 2, p. 2760), Executive Order Numbered
19 3513, dated July 9, 1921, as amended under date of June
20 30, 1934, relating to applications for submarine cable li-
21 censes, and the radiotelegraphy provisions of the Conven-
22 tion for Promoting Safety of Life at Sea, ratified by the
23 President July 7, 1936, including personal services, con-
24 tract stenographic reporting services, rental of quarters,
25 newspapers, periodicals, reference books, lawbooks, special

1 counsel fees, supplies and equipment, improvement and care
2 of grounds and repairs to buildings (not to exceed \$5,000),
3 purchase (not to exceed seven), maintenance, operation, and
4 repair of motor-propelled passenger-carrying vehicles for
5 official use in the field, travel expenses, including not exceed-
6 ing \$1,000 for expenses of attendance at meetings which in
7 the discretion of the Commission are necessary for the effi-
8 cient discharge of its responsibilities, reimbursement to ships
9 of the United States for charges incurred by such ships in
10 transmitting information in compliance with section 357 of
11 the Communications Act of 1934, as amended, \$2,209,000,
12 of which amount not to exceed \$1,341,000 may be expended
13 for personal services in the District of Columbia, including
14 compensation of employees of the Interdepartment Radio
15 Advisory Committee.

16 Printing and binding: For printing and binding for
17 the Federal Communications Commission, \$16,700.

18 Salaries and expenses, national defense: For all ex-
19 penses necessary to enable the Federal Communications Com-
20 mission, without regard to section 3709 of the Revised
21 Statutes, to perform its functions related to national defense,
22 including radio monitoring and foreign broadcast analysis,
23 including all of the items of expenditure for which the ap-
24 propriation "Salaries and expenses, Federal Communications
25 Commission", is available and not to exceed \$9,000 for salary

1 of Director of the Foreign Broadcast Intelligence Service;
2 not to exceed twenty passenger-carrying automobiles; not
3 to exceed \$40,000 for the temporary employment
4 of persons or organizations, by contract or otherwise,
5 without regard to the civil service and classification laws
6 and, in the case of language or other experts, without regard
7 to any requirements of this Act with respect to citizenship,
8 where citizens qualified to perform such work are not avail-
9 able; and not to exceed \$24,200 for printing and binding,
10 \$4,491,143: *Provided*, That upon the expiration of sixty
11 days after the cessation of hostilities between the United
12 States and the principal enemy powers or after the date of
13 an armistice between the United States and the principal
14 enemy powers, this appropriation shall cease to be available
15 for obligations unless Congress shall otherwise provide by
16 law.

17 FEDERAL POWER COMMISSION

18 SALARIES AND EXPENSES

19 For all expenses necessary for the work of the Federal
20 Power Commission as authorized by law except for the work
21 authorized by the Act of June 28, 1938, authorizing the
22 construction of certain public works on rivers and harbors
23 for flood control, and for other purposes (33 U. S. C.
24 701a), including traveling expenses; expenses of attendance
25 at meetings which in the discretion of the Commission are

1 necessary for the efficient discharge of its responsibilities;
2 contract stenographic reporting services; purchase (not to
3 exceed \$3,000), hire, maintenance, repair, and operation
4 of motor-propelled passenger-carrying vehicles, including not
5 more than one such vehicle for general administrative use
6 in the District of Columbia; and not exceeding \$5,000 for
7 purchase and exchange of lawbooks, books of reference,
8 newspapers, and periodicals, \$2,000,000; of which amount
9 not to exceed \$1,175,000 shall be available for personal serv-
10 ices in the District of Columbia exclusive of not to exceed
11 \$10,000, which may be expended for consultants and special
12 counsel.

13 Flood-control surveys: For all expenses necessary for
14 the work of the Federal Power Commission as authorized
15 by the provisions of the Act of June 28, 1938 (52 Stat.
16 1215), including travel expenses; contract stenographic re-
17 porting services; \$144,500, of which amount not to exceed
18 \$95,000 shall be available for personal services in the Dis-
19 trict of Columbia.

20 National defense activities: For all necessary expenses
21 (except printing and binding) to enable the Federal Power
22 Commission to perform additional activities in connection
23 with the national security and defense, including activities
24 under the provisions of the Federal Power Act, activities
25 under Executive Order Numbered 9165 dated May 19,

1 1942, and activities for the protection of the electric power
2 supply against hostile acts, such expenses to include all items
3 of expenditure for which the appropriations under the head-
4 ing "Salaries and expenses, Federal Power Commission",
5 are available, \$600,000: *Provided*, That the Commission
6 may make expenditures in addition to the foregoing, for
7 duties connected with the national security and defense,
8 from other appropriations available to it: *Provided*, That
9 upon the expiration of sixty days after the cessation of hos-
10 tilities between the United States and the principal enemy
11 powers or after the date of an armistice between the United
12 States and the principal enemy powers, this appropriation
13 shall cease to be available for obligations unless Congress
14 shall otherwise provide by law.

15 For all printing and binding for the Federal Power
16 Commission, including engraving, lithographing, and photo-
17 lithographing, \$30,000.

18 FEDERAL TRADE COMMISSION

19 For salaries and expenses of the Federal Trade Com-
20 mission, including personal services in the District of Colum-
21 bia; contract stenographic reporting services; supplies and
22 equipment, lawbooks, books of reference, periodicals, garage
23 rentals; traveling expenses, including not to exceed \$900
24 for expenses of attendance, when specifically authorized by
25 the Commission, at meetings concerned with the work of

1 the Federal Trade Commission; newspapers not to exceed
2 \$500, foreign postage, and witness fees and mileage in
3 accordance with section 9 of the Federal Trade Commission
4 Act; \$2,011,070: *Provided*, That no part of the funds ap-
5 propriated herein for the Federal Trade Commission shall be
6 expended upon any investigation hereafter provided by
7 concurrent resolution of the Congress until funds are appro-
8 priated subsequently to the enactment of such resolution to
9 finance the cost of such investigation.

10 For all printing and binding for the Federal Trade
11 Commission, \$48,900.

12 FEDERAL WORKS AGENCY

13 OFFICE OF THE ADMINISTRATOR

14 Salaries and expenses: For salaries and expenses in the
15 Office of the Administrator in the District of Columbia, in-
16 cluding the salary of a general counsel at \$10,000 per an-
17 num; printing and binding (not to exceed \$4,000); actual
18 transportation and other expenses and not to exceed \$10
19 per diem in lieu of subsistence to persons serving, while away
20 from their homes without other compensation from the
21 United States, in an advisory capacity to the Administrator;
22 purchase (including exchange) of lawbooks and other books
23 of reference, purchase of newspapers and periodicals (not to
24 exceed \$150); preparation, shipment, and installation of
25 photographic displays, exhibits, and other descriptive ma-

1 terials; travel expenses; not to exceed \$1,500 for expenses
2 of attendance, when specifically authorized by the Adminis-
3 trator, at meetings or conventions relating to the work of the
4 Agency; not to exceed \$4,000 for the temporary employ-
5 ment of persons or organizations by contract or otherwise,
6 for special services determined by the Administrator to be
7 necessary, without regard to section 3709 of the Revised
8 Statutes, and civil service and classification laws, \$331,752:
9 *Provided*, That the Federal Works Administrator may, under
10 such rules and regulations as he shall prescribe, authorize
11 the Commissioner of Public Roads and the Commissioner
12 of Public Buildings to make appointments of personnel for
13 such administrations.

14 PUBLIC BUILDINGS ADMINISTRATION

15 For carrying into effect the provisions of the Public
16 Buildings Acts, as provided in section 6 of the Act of May
17 30, 1908 (31 U. S. C. 683), and for the repair, preserva-
18 tion, and upkeep of all completed public buildings under the
19 control of the Federal Works Agency, the mechanical
20 equipment and the grounds thereof, and sites acquired for
21 buildings, and for the operation of certain completed and
22 occupied buildings under the control of the Federal Works
23 Agency, including furniture and repairs thereof, but ex-
24 clusive, with respect to operation, of buildings of the United
25 States Coast Guard, of hospitals, quarantine stations, and

1 other Public Health Service buildings, mints, bullion depos-
2 itories, and assay offices, and buildings operated by the
3 Treasury and Post Office Departments in the District of
4 Columbia:

5 General administrative expenses: For architectural,
6 engineering, mechanical, administrative, clerical, and other
7 personal services; traveling expenses, printing and binding
8 (not to exceed \$17,000), advertising, testing instru-
9 ments, lawbooks, books of reference, periodicals, and such
10 other contingencies, articles, services, equipment, or sup-
11 plies as the Commissioner of Public Buildings may deem
12 necessary in connection with any of the work of the Public
13 Buildings Administration; ground rent of the Federal build-
14 ings at Salamanca, New York, and Columbus, Mississippi,
15 for which payment may be made in advance; \$1,350,000,
16 of which not to exceed \$750,725 may be expended for
17 personal services in the District of Columbia and not to
18 exceed \$456,275 for personal services in the field: *Provided*,
19 That the foregoing appropriations shall not be available for
20 the cost of surveys, plaster models, progress photographs,
21 test pits and borings, or mill and shop inspections, but the
22 cost thereof shall be construed to be chargeable against the
23 construction appropriations of the respective projects to which
24 they relate.

1 Repair, preservation, and equipment, outside the Dis-
2 trict of Columbia: For repairs, alterations, improvement,
3 and preservation, including personal services employed there-
4 for, of completed Federal buildings, the grounds and ap-
5 proaches thereof, wharves, and piers, together with the
6 necessary dredging adjacent thereto, and care and safe-
7 guarding, not otherwise provided for, of sites acquired for
8 Federal buildings, including tools and materials for the use
9 of the custodial and mechanical force, wire partitions and
10 insect screens, installation and repair of mechanical equip-
11 ment, gas, and electric-light fixtures, conduits, wiring, plat-
12 form scales, and tower clocks; vaults and lockbox equipment
13 in all buildings completed and occupied, and for necessary
14 safe equipments in buildings under the administration of the
15 Federal Works Agency, including repairs thereto, and
16 changes in, maintenance of, and repairs to the pneumatic-
17 tube system in New York City installed under franchise of
18 the city of New York, approved June 29, 1909, and June
19 11, 1928, and the payment of any obligations arising there-
20 under in accordance with the provisions of the Acts approved
21 August 5, 1909 (36 Stat. 120), and May 15, 1928 (45
22 Stat. 533), \$3,000,000: *Provided*, That the total expendi-
23 tures for the fiscal year for the repair and preservation of
24 buildings not reserved by the vendors on sites acquired for
25 buildings or the enlargement of buildings and the installa-

1 tion and repair of the mechanical equipment thereof shall
2 not exceed 20 per centum of the annual rental of such
3 buildings.

4 Salaries and expenses, public buildings and grounds in
5 the District of Columbia and adjacent area: For adminis-
6 tration, protection, maintenance, and improvement of public
7 buildings and grounds in the District of Columbia and the
8 area adjacent thereto, maintained and operated by the
9 Public Buildings Administration, including the National
10 Archives Building; repair, preservation, and equipment of
11 buildings operated by the Treasury and Post Office Depart-
12 ments in the District of Columbia; rent of buildings; demo-
13 lition of buildings; expenses incident to moving various
14 executive departments and establishments in connection with
15 the assignment, allocation, transfer, and survey of building
16 space; traveling expenses and carfare; leather and rubber
17 articles and gas masks for the protection of public property
18 and employees; furnishings and equipment; arms and ammu-
19 nition for the guard force; purchase, repair, and cleaning
20 of uniforms for guards and elevator conductors; and the pur-
21 chase of two motor-propelled passenger-carrying vehicles;
22 \$29,532,400: *Provided*, That where quarters or maintenance
23 or other services are furnished on a reimbursable basis
24 to any governmental activity, such activity shall make pay-
25 ment therefor promptly by check upon the written request

1 of the Commissioner of Public Buildings, either in advance
2 or after the service has been furnished, for deposit to the
3 credit of this appropriation, of all or part of the estimated
4 or actual cost thereof, as the case may be, and proper adjust-
5 ment upon the basis of the actual cost shall be made for
6 services paid for in advance.

7 Salaries and expenses, public buildings and grounds
8 outside the District of Columbia: For operation, protection,
9 and maintenance, including cleaning, heating, lighting, rental of
10 buildings and equipment, supplies, materials, furnishings and
11 equipment, personal services, arms, ammunition, leather and
12 rubber articles, and gas masks for the protection of public prop-
13 erty and employees, purchase, repair, and cleaning of uniforms
14 for guards and elevator conductors, the purchase of one motor-
15 propelled passenger-carrying vehicle, and every expendi-
16 ture requisite for and incidental to such maintenance and
17 operation of public buildings and grounds outside of the
18 District of Columbia maintained and operated by the Public
19 Buildings Administration, \$10,581,000: *Provided*, That all
20 furniture now owned by the United States in other public
21 buildings or in buildings rented by the United States shall
22 be used, so far as practicable, whether or not it corresponds
23 with the present regulation plan for furniture: *Provided*
24 *further*, That this appropriation shall be available for con-
25 tracts for telephone switchboards or equivalent telephone-

1 switching equipment jointly serving in each case two or
2 more governmental activities in buildings operated by the
3 Public Buildings Administration where it is found that joint
4 service is economical and in the interests of the Govern-
5 ment, and any Government activity receiving such service
6 shall pay promptly by check upon the written request of
7 the Commissioner of Public Buildings, either in advance or
8 after the service has been furnished, for deposit to the
9 credit of this appropriation, all or part of the estimated or
10 actual cost thereof, as the case may be, and proper adjust-
11 ment upon the basis of the actual cost shall be made for
12 service paid for in advance.

13 Under the appropriations for salaries and expenses,
14 public buildings and grounds in and outside the District of
15 Columbia, per diem employees may be paid at rates ap-
16 proved by the Commissioner of Public Buildings, not exceed-
17 ing current rates for similar services in the place where such
18 services are employed, and such employees in emergencies
19 may be entered on duty subject to confirmation by the
20 Federal Works Administrator.

21 In the prosecution of construction projects or planning
22 programs assigned to the Public Buildings Administration
23 for which funds are provided by direct appropriation or
24 transferred under authority contained in section 35 of the
25 Act of June 15, 1938 (40 U. S. C. 265), an amount ad-

1 ministratively determined as necessary for the payment of
2 salaries and expenses of personnel engaged upon the prep-
3 aration of plans and specifications, field supervision, and
4 general office expense, may be transferred and consolidated
5 on the books of the Treasury Department into a special
6 account for direct expenditure in the prosecution of said
7 work, such expenditures to be subsequently allocated and
8 reported upon by projects in accordance with procedures
9 prescribed by the General Accounting Office.

10 PUBLIC ROADS ADMINISTRATION

11 General administrative expenses: For the employment of
12 persons and means, including rent, advertising (including
13 advertising in the city of Washington for work to be per-
14 formed in areas adjacent thereto), printing and binding (not
15 to exceed \$27,000), purchase (including exchange) of law-
16 books, books of reference and periodicals, and the prepara-
17 tion, distribution, and display of exhibits, in the city of Wash-
18 ington and elsewhere for the purpose of conducting research
19 and investigational studies, either independently or in co-
20 operation with State highway departments, or other agencies,
21 including studies of highway administration, legislation, fi-
22 nance, economics, transport, construction, operation, main-
23 tenance, utilization, and safety, and of street and highway
24 traffic control; investigations and experiments in the best
25 methods of road making, especially by the use of local mate-

1 rials; and studies of types of mechanical plants and appliances
2 used for road building and maintenance, and of methods of
3 road repair and maintenance suited to the needs of different
4 localities; for maintenance and repairs of experimental high-
5 ways; for furnishing expert advice on these subjects; for
6 collating, reporting, and illustrating the results of same; and
7 for preparing, publishing, and distributing bulletins and re-
8 ports; to be paid from any moneys available from the ad-
9 ministrative funds provided under the Act of July 11, 1916,
10 as amended (23 U. S. C. 21), or as otherwise provided.

11 FEDERAL-AID HIGHWAY SYSTEM

12 For carrying out the provisions of "An Act to provide
13 that the United States shall aid the States in the construction
14 of rural post roads, and for other purposes", as amended
15 (23 U. S. C. 1-117), to be expended in accordance with
16 the provisions of said Act, as amended, including not to
17 exceed \$1,341,850 for departmental personal services in the
18 District of Columbia, \$40,000,000, to be immediately avail-
19 able and to remain available until expended, which sum is
20 composed of \$20,000,000, the remainder of the amount
21 authorized to be appropriated for the fiscal year 1942 by
22 section 1 of the Act approved September 5, 1940 (Public
23 Law 780), and \$20,000,000, a part of the amount author-
24 ized to be appropriated for the fiscal year 1943 by said
25 section 1: *Provided*, That none of the money herein

1 appropriated shall be paid to any State on account of any
2 project on which convict labor shall be employed, except
3 this provision shall not apply to convict labor performed by
4 convicts on parole or probation: *Provided further*, That not
5 to exceed \$55,000 of the funds provided for carrying out
6 the provisions of the Federal Highway Act of November
7 9, 1921 (23 U. S. C. 21, 23), shall be available for the
8 purchase of motor-propelled passenger-carrying vehicles:
9 *Provided further*, That, during the fiscal year 1945, when-
10 ever performing authorized engineering or other services
11 in connection with the survey, construction, and mainte-
12 nance, or improvement of roads for other Government
13 agencies the charge for such services may include deprecia-
14 tion on engineering and road-building equipment used, and
15 the amounts received on account of such charges shall be
16 credited to the appropriation concerned: *Provided further*,
17 That during the fiscal year 1945 the appropriations for
18 the work of the Public Roads Administration shall be
19 available for meeting the expenses of warehouse maintenance
20 and the procurement, care, and handling of supplies, mate-
21 rials, and equipment stored therein for distribution to projects
22 under the supervision of the Public Roads Administration,
23 and for sale and distribution to other Government activities,
24 the cost of such supplies and materials or the value of such
25 equipment (including the cost of transportation and han-

1 dling) to be reimbursed to appropriations current at the
2 time additional supplies, materials, or equipment are pro-
3 cured, from the appropriation chargeable with the cost or
4 value of such supplies, materials, or equipment: *Provided*
5 *further*, That the appropriations available to the Public
6 Roads Administration may be used in emergency for medi-
7 cal supplies and services and other assistance necessary for
8 the immediate relief of employees engaged on hazardous
9 work under that Administration: *Provided further*, That
10 the appropriations for the work of the Public Roads Admin-
11 istration shall be available for necessary expenses (not ex-
12 ceeding \$9,000) of attendance at meetings and conferences
13 of highway departments, associations, organizations, and
14 other agencies concerned, and (not exceeding \$15,000) for
15 the temporary employment, by contract or otherwise, of
16 technical consultants and experts without regard to section
17 3709 of the Revised Statutes, and civil service and classi-
18 fication laws.

19 INTER-AMERICAN HIGHWAY

20 For all necessary expenses to enable the President to
21 utilize the services of the Public Roads Administration in ful-
22 filling the obligations of the United States under the Con-
23 vention on the Pan-American Highway Between the United
24 States and Other American Republics, signed at Buenos

1 Aires, December 23, 1936, and proclaimed September 16,
2 1937 (51 Stat. 152), for the continuation of cooperation with
3 several governments, members of the Pan American Union,
4 in connection with the survey and construction of the Inter-
5 American Highway as provided in public resolution, ap-
6 proved March 4, 1929 (Public Resolution 104), as amended
7 or supplemented, and for performing engineering service in
8 pan-American countries for and upon the request of any
9 agency or governmental corporation of the United States,
10 \$100,000 to be derived from the administrative funds pro-
11 vided under the Act of July 11, 1916, as amended or
12 supplemented (23 U. S. C. 21), or as otherwise provided.

13 For surveys in connection with and the construction of
14 the Inter-American Highway, in accordance with the provi-
15 sions of the Act approved December 26, 1941 (Public
16 Law 375), and necessary expenses incident thereto with-
17 out regard to section 3709, Revised Statutes, including the
18 purchase of motor-propelled passenger-carrying vehicles,
19 \$2,000,000, to be immediately available and to remain
20 available until expended and in addition thereto the Com-
21 missioner of Public Roads is authorized to enter into con-
22 tracts for this purpose in an amount not exceeding
23 \$6,000,000.

24 FEDERAL-AID SECONDARY OR FEEDER ROADS

25 For secondary or feeder roads, including farm-to-mar-

1 ket roads, rural free delivery mail roads, and public-school
2 bus routes, \$3,000,000, to be immediately available and to
3 remain available until expended, which sum is a part of the
4 amount authorized to be appropriated for the fiscal year
5 1942, by section 2 of the Act approved September 5, 1940
6 (Public Law 780).

7 STRATEGIC HIGHWAY NETWORK

8 For carrying out projects to correct critical deficiencies
9 in lines of the strategic network of highways and bridges,
10 in accordance with the provisions of section 4 of the Defense
11 Highway Act of 1941 (23 U. S. C. 104), \$20,000,000, to
12 be immediately available and to remain available during the
13 continuance of the emergency declared by the President
14 on May 27, 1941.

15 ACCESS ROADS

16 For the construction, maintenance, and improvement
17 of access roads and for replacing existing highways and high-
18 way connections as described in, and in accordance with the
19 provisions of, sections 6 and 9 of the Defense Highway Act
20 of 1941, as amended by the Act approved July 2, 1942
21 (23 U. S. C. 106) \$40,000,000, to be immediately avail-
22 able and to remain available during the continuance of the
23 emergency declared by the President on May 27, 1941.

24 SURVEYS AND PLANS

25 For advance engineering surveys and plans for future

1 development of the strategic network of highways and
2 bypasses around and extension into and through municipali-
3 ties and metropolitan areas, in accordance with the provisions
4 of section 9 of the Defense Highway Act of 1941 (23
5 U. S. C. 109) \$5,000,000, to be immediately available and
6 to remain available during the continuance of the emergency
7 declared by the President on May 27, 1941.

8 Any of the foregoing appropriations for general or ad-
9 ministrative expenses under the Federal Works Agency shall
10 be available for the maintenance, repair, and operation of
11 motor-propelled passenger-carrying vehicles in the District
12 of Columbia and in the field.

13 FOREIGN-SERVICE PAY ADJUSTMENT

14 Foreign-service pay adjustment, appreciation of foreign
15 currencies: For carrying into effect the provisions of the Act
16 entitled "An Act to authorize annual appropriations to meet
17 losses sustained by officers and employees of the United
18 States in foreign countries due to appreciation of foreign
19 currencies in their relation to the American dollar, and for
20 other purposes", approved March 26, 1934 (5 U. S. C.
21 118c), and for each and every object and purpose specified
22 therein, \$722,390.

23 GENERAL ACCOUNTING OFFICE

24 Salaries: For personal services in the District of Co-
25 lumbia and elsewhere, \$37,000,000.

1 Miscellaneous expenses: For all expenses necessary for
2 the work of the General Accounting Office, including travel
3 expenses; procurement and exchange of lawbooks and books
4 of reference, and not to exceed \$100 for periodicals; the pur-
5 chase of one motor-propelled passenger-carrying vehicle; and
6 maintenance, repair, and operation of motor-propelled pas-
7 senger-carrying vehicles, \$1,200,000.

8 For all printing and binding for the General Accounting
9 Office, including monthly and annual editions of selected
10 decisions of the Comptroller General of the United States,
11 \$200,000.

12 INTERSTATE COMMERCE COMMISSION

13 SALARIES AND EXPENSES

14 General administrative expenses: For salaries and ex-
15 penses necessary in the execution of laws to regulate com-
16 merce, including one chief counsel, one director of finance,
17 and one director of traffic, at \$10,000 each per annum, field
18 hearings, traveling expenses, and contract stenographic re-
19 porting services \$3,119,000, of which amount not to
20 exceed \$2,797,000 may be expended for personal serv-
21 ices in the District of Columbia, exclusive of special coun-
22 sel, for which the expenditure shall not exceed \$50,000; not
23 exceeding \$5,000 for purchase and exchange of necessary
24 books, reports, newspapers, and periodicals.

25 Regulating accounts: To enable the Interstate Com-

1 merce Commission to enforce compliance with section 20
2 and other sections of the Interstate Commerce Act as
3 amended by the Act approved June 29, 1906, the Trans-
4 portation Act, 1920 (49 U. S. C. 20), and the Transporta-
5 tion Act of 1940, including the employment of necessary
6 special accounting agents or examiners, and traveling
7 expenses, \$473,000, of which amount not to exceed \$130,000
8 may be expended for personal services in the District of
9 Columbia.

10 Safety of employees: To enable the Interstate Commerce
11 Commission to keep informed regarding and to enforce com-
12 pliance with Acts to promote the safety of employees and
13 travelers upon railroads; the Act requiring common car-
14 riers to make reports of accidents and authorizing investi-
15 gations thereof; and to enable the Interstate Commerce
16 Commission to investigate and test appliances intended to
17 promote the safety of railway operation, as authorized by
18 the Joint Resolution approved June 30, 1906 (45 U. S. C.
19 35), and the provision of the Sundry Civil Act approved
20 May 27, 1908 (45 U. S. C. 36, 37), to investigate, test
21 experimentally, and report on the use and need of any
22 appliances or systems intended to promote the safety of
23 railway operation, inspectors, and for traveling expenses,
24 \$604,000, of which amount not to exceed \$102,000 may

1 be expended for personal services in the District of
2 Columbia.

3 Signal safety systems: For all authorized expenditures
4 under section 25 of the Interstate Commerce Act, as amended
5 by the Transportation Act, 1920, the Act of August 26, 1937
6 (49 U. S. C. 26), and the Transportation Act of 1940, with
7 respect to the provision thereof under which carriers by rail-
8 road subject to the Act may be required to install automatic
9 train-stop or train-control devices which comply with speci-
10 fications and requirements prescribed by the Commission,
11 including investigations and tests pertaining to block-signal
12 and train-control systems, as authorized by the Joint Resolu-
13 tion approved June 30, 1906 (45 U. S. C. 35), and includ-
14 ing the employment of the necessary engineers, and for
15 traveling expenses, \$182,000, of which amount not to ex-
16 ceed \$38,000 may be expended for personal services in the
17 District of Columbia.

18 Locomotive inspection: For all authorized expenditures
19 under the provisions of the Act of February 17, 1911, en-
20 titled "An Act to promote the safety of employees and
21 travelers upon railroads by compelling common carriers en-
22 gaged in interstate commerce to equip their locomotives with
23 safe and suitable boilers and appurtenances thereto" (45
24 U. S. C. 22), as amended by the Act of March 4, 1915,

1 extending "the same powers and duties with respect to all
2 parts and appurtenances of the locomotive and tender" (45
3 U. S. C. 30), and amendment of June 7, 1924 (45 U. S.
4 C. 27), providing for the appointment from time to time by
5 the Interstate Commerce Commission of not more than fifteen
6 inspectors in addition to the number authorized in the first
7 paragraph of section 4 of the Act of 1911 (45 U. S. C. 26),
8 and the amendment of June 27, 1930 (45 U. S. C. 24, 26),
9 including such legal, technical, stenographic, and clerical help
10 as the business of the offices of the director of locomotive in-
11 spection and his two assistants may require and for traveling
12 expenses, \$548,000, of which amount not to exceed \$81,000
13 may be expended for personal services in the District of
14 Columbia.

15 Valuation of property of carriers: To enable the Inter-
16 state Commerce Commission to carry out the objects of the
17 Act entitled "An Act to amend an Act entitled 'An Act to
18 regulate commerce', approved February 4, 1887, and all
19 Acts amendatory thereof, by providing for a valuation of the
20 several classes of property of carriers subject thereto and se-
21 curing information concerning their stocks, bonds, and other
22 securities", approved March 1, 1913, as amended by the
23 Act of June 7, 1922 (49 U. S. C. 19a), and by the "Emer-
24 gency Railroad Transportation Act, 1933" (49 U. S. C.
25 19a), including traveling expenses, \$500,000.

1 Motor transport regulation: For all authorized expendi-
2 tures necessary to enable the Interstate Commerce Com-
3 mission to carry out the provisions of part II of the Interstate
4 Commerce Act and section 5, part I, of the Interstate
5 Commerce Act insofar as applicable to common carriers
6 subject to part II (Transportation Act of 1940), including
7 one director at \$10,000 per annum and other personal serv-
8 ices in the District of Columbia and elsewhere; traveling
9 expenses; supplies; services and equipment; not to exceed
10 \$1,000 for purchase and exchange of books, reports, news-
11 papers, and periodicals; contract stenographic reporting
12 services; purchase (not to exceed seven), maintenance,
13 repair, and operation of motor-propelled passenger-carry-
14 ing vehicles; not to exceed \$5,000 for the purchase of
15 evidence in connection with investigations of apparent
16 violations of said Act, \$3,260,000: *Provided*, That Joint
17 Board members may use Government transportation requests
18 when traveling in connection with their duties as Joint
19 Board members.

20 Not to exceed \$2,500 of the appropriations herein made
21 for the Interstate Commerce Commission shall be available
22 for expenses, except membership fees, for attendance at
23 meetings concerned with the work of the Commission.

24 For all printing and binding for the Interstate Commerce

1 Commission, including not to exceed \$17,000 to print and
2 furnish to the States, at cost, blank annual report forms of
3 common carriers, and the receipts from such sales shall be
4 credited to this appropriation, \$157,700.

5 Salaries and expenses, emergency: For necessary
6 expenses, including traveling expenses, to enable the Inter-
7 state Commerce Commission, for the purpose of promoting
8 the national security and defense, to adopt measures for
9 preventing shortages of railroad equipment and congestion
10 of traffic, and expediting the movement of cars by railroads
11 through terminals, and related activities, \$338,000.

12 NATIONAL ADVISORY COMMITTEE FOR
13 AERONAUTICS

14 For necessary salaries and expenses of the National Ad-
15 visory Committee for Aeronautics, including contracts for
16 personal services in the making of special investigations and
17 reports; traveling expenses of members and employees, in-
18 cluding not to exceed \$2,500 for attendance upon meetings
19 of technical and professional societies; periodicals and books
20 of reference; equipment, maintenance, and operation of the
21 Langley Memorial Aeronautical Laboratory, the Ames Aero-
22 nautical Laboratory, and the aircraft engine research labor-
23 atory at Cleveland, Ohio; purchase and maintenance of
24 cafeteria equipment; purchase, maintenance, and operation
25 of motor-propelled passenger-carrying vehicles; not to ex-

1 ceed \$383,400 for personal services in the District of Co-
2 lumbia, including one Director of Aeronautical Research at
3 not to exceed \$10,000 per annum; and not to exceed \$2,500
4 for temporary employment of consultants, at not to exceed
5 \$50 per diem, by contract or otherwise, without regard to the
6 civil-service and classification laws; in all, \$23,220,130.

7 For all printing and binding for the National Advisory
8 Committee for Aeronautics, including all of its offices, labo-
9 ratories, and services located in Washington, District of
10 Columbia, and elsewhere, \$15,000.

11 NATIONAL ARCHIVES

12 Salaries and expenses: For salaries and expenses of
13 the Archivist and The National Archives; including personal
14 services in the District of Columbia; scientific, technical,
15 first-aid, protective, and other apparatus and materials for
16 the arrangement, titling, scoring, repair, processing, editing,
17 duplication, reproduction, and authentication of photographic
18 and other records (including motion-picture and other films
19 and sound recordings) in the custody of the Archivist; pur-
20 chase and exchange of books, including lawbooks, books
21 of reference, maps, and charts; contract stenographic report-
22 ing services; purchase of newspapers and periodicals; not
23 to exceed \$100 for payment in advance when authorized
24 by the Archivist for library membership in societies whose
25 publications are available to members only or to members

1 at a price lower than to the general public; travel expenses;
2 exchange of scientific and technical apparatus; and mainte-
3 nance, operation, and repair of one passenger-carrying
4 motor vehicle, \$1,042,340.

5 Printing and binding: For all printing and binding,
6 \$7,000.

7 NATIONAL CAPITAL HOUSING AUTHORITY

8 For the maintenance and operation of properties under
9 title I of the District of Columbia Alley Dwelling Authority
10 Act, \$16,000: *Provided*, That all receipts derived from sales,
11 leases, or other sources shall be covered into the Treasury
12 of the United States monthly.

13 NATIONAL HOUSING AGENCY

14 OFFICE OF THE ADMINISTRATOR

15 Salaries and expenses: In addition to the amounts other-
16 wise available (which amounts shall be transferred to this
17 authorization for expenditure hereunder) for the adminis-
18 trative expenses of the Office of the Administrator, National
19 Housing Agency, in carrying out the provisions of the Act
20 of October 14, 1940, as amended (42 U. S. C. 1521),
21 such amounts, not exceeding \$500,000, as the Adminis-
22 trator determines are required for the expenses of the
23 Office of the Administrator, National Housing Agency,
24 in the performance of administrative and supervisory services
25 relating to the constituent units of said Agency shall be

1 transferred, from the funds available for the administrative
2 expenses of such constituent units for the fiscal year
3 1945, to this authorization for expenditure hereunder and
4 shall be available until June 30, 1945, for all necessary
5 expenses of said Office of the Administrator, including per-
6 sonal services and rent in the District of Columbia; print-
7 ing and binding; purchase and exchange of lawbooks, books
8 of reference; periodicals and newspapers (not to exceed
9 \$500) ; preparation, mounting, shipping, and installation
10 of exhibits (not to exceed \$500) ; maintenance, repair, and
11 operation of motor-propelled passenger-carrying vehicles;
12 not to exceed \$5,000 for temporary employment of persons
13 or organizations, by contract or otherwise, for legal or other
14 special services without regard to section 3709 of the
15 Revised Statutes and the civil service and classification
16 laws; payment, when specifically authorized by the Ad-
17 ministrator, of (1) actual transportation and other neces-
18 sary expenses and not to exceed \$10 per diem in lieu
19 of subsistence to persons serving, while away from their
20 homes, without other compensation from the United States,
21 in an advisory capacity to the Agency and (2) not to
22 exceed \$1,500 for expenses of attendance at meetings of
23 organizations concerned with the work of the Agency when
24 specifically authorized by the Administrator; reimbursement
25 for the actual cost of ferry fares and bridge, road, and tunnel

1 tolls, and an allowance not to exceed 3 cents per mile for
2 all travel performed in privately owned automobiles by
3 employees engaged in the inspection of property within
4 the limits of their official posts of duty when such travel
5 is performed in connection with such inspection: *Provided*,
6 That notwithstanding the consolidation effected by Executive
7 Order 9070, section 7 of the First Deficiency Appropriation
8 Act, 1936, shall continue to apply to administrative expenses
9 of and for the constituent units of the National Housing
10 Agency mentioned in said section 7 and shall also apply to
11 such expenses of said National Housing Agency in connec-
12 tion with the functions and purposes of said constituent units,
13 and none of the funds made available by this Act for such
14 administrative expenses shall be obligated or expended unless
15 and until an appropriate appropriation account shall have
16 been established therefor pursuant to an appropriation war-
17 rant or a covering warrant, and all such expenditures shall
18 be accounted for and audited in accordance with the Budget
19 and Accounting Act, as amended: *Provided further*, That
20 the Administrator may, with the approval of the President
21 of the United States, transfer to this authorization or to an
22 authorization of a constituent unit from funds available for
23 administrative expenses of the constituent units or the Office
24 of the Administrator of the National Housing Agency such
25 additional sums as represent a consolidation in the Office of

1 the Administrator or in a constituent unit of any of the
2 administrative functions of the National Housing Agency;
3 but no such transfer of funds shall be made unless the con-
4 solidation will result in a reduction in manpower and a
5 savings in administrative expenses, which savings shall not
6 be used for administrative expenses but instead shall be
7 returned to or remain in the funds from which administrative
8 expenses are drawn under this authorization: *Provided fur-*
9 *ther*, That a report of such transfers and the savings effected
10 thereby shall be submitted to Congress in the annual budget.

11 FEDERAL HOME LOAN BANK ADMINISTRATION

12 Salaries and expenses: Not to exceed a total of
13 \$10,853,825, to be derived from the same sources as the
14 funds made available for administrative expenses of the
15 Federal Home Loan Bank Administration, including the
16 Federal Savings and Loan Insurance Corporation and the
17 Home Owners' Loan Corporation, by the Independent Offices
18 Appropriation Act, 1944, shall be available during the fiscal
19 year 1945 for administrative expenses of the Federal Home
20 Loan Bank Administration (Executive Order Numbered
21 9070 of February 24, 1942), which term and the term
22 Administration, wherever used herein, shall unless otherwise
23 qualified include and apply to said corporations but shall be
24 exclusive of any corporation organized in pursuance of
25 authority contained in the Act of May 16, 1918 (40 Stat.

1 550), and any amendments thereof, including personal serv-
2 ices in the District of Columbia and elsewhere; travel ex-
3 penses, in accordance with the Standardized Government
4 Travel Regulations and the Act of June 3, 1926, as amended
5 (5 U. S. C. 821-833); expenses (not to exceed \$7,500)
6 of attendance at meetings concerned with the work of said
7 Administration when specifically authorized by the Admin-
8 istration; printing and binding; lawbooks, books of reference,
9 and not to exceed \$1,250 for periodicals and newspapers;
10 rent in the District of Columbia; maintenance, repair, and
11 operation of motor-propelled passenger-carrying vehicles;
12 payment, when specifically authorized by the Administration,
13 of actual transportation and other necessary expenses and not
14 to exceed \$10 per diem in lieu of subsistence of persons serv-
15 ing, while away from their homes, without other compensa-
16 tion from the United States, in an advisory capacity to the
17 Administration; use of the services and facilities of the Fed-
18 eral home-loan banks, Federal Reserve banks, and agencies of
19 the Government, including the use of services and facilities
20 within the Administration; the amounts so derived to be
21 credited upon the books of the Treasurer of the United
22 States in such account or accounts as the Administration
23 may determine, and the Administration in its discretion
24 may utilize the facilities of the Division of Disbursement
25 of the Treasury Department for the disbursement of funds

1 in or derived from such account or accounts relating to
2 said corporations: *Provided*, That (1) all necessary ex-
3 penses in connection with the liquidation of insured in-
4 stitutions, (2) all necessary expenses (including services
5 performed on a force account, contract or fee basis, but
6 not including other personal services) in connection with
7 the acquisition, protection, operation, maintenance, improve-
8 ment, or disposition of real or personal property belonging
9 to the Home Owners' Loan Corporation or in which it has
10 an interest, and (3) all necessary expenses (including serv-
11 ices performed on a contract or fee basis, but not including
12 other personal services) in connection with the handling,
13 including the purchase, sale, and exchange, of securities on
14 behalf of Federal home-loan banks, and the sale, issuance,
15 and retirement of, or payment of interest on, debentures or
16 bonds, under the Federal Home Loan Bank Act, as amended,
17 shall be considered as nonadministrative expenses for the
18 purposes hereof: *Provided further*, That except as herein
19 otherwise provided, the administrative expenses and other
20 obligations of the Administration shall be incurred, allowed,
21 and paid in accordance with the provisions of the Federal
22 Home Loan Bank Act of July 22, 1932, as amended (12
23 U. S. C. 1421-1449), the Home Owners' Loan Act of 1933,
24 as amended (12 U. S. C. 1461-1468), and title IV of the

1 National Housing Act of June 27, 1934, as amended (12
2 U. S. C. 1724-1730).

3 FEDERAL HOUSING ADMINISTRATION

4 Salaries and expenses: Not to exceed \$10,484,635 of
5 the various funds of the Federal Housing Administration as
6 follows, (1) the mutual mortgage insurance fund, (2) the
7 housing insurance fund, (3) the account in the Treasury
8 comprised of funds derived from premiums collected under
9 authority of section 2 (f), title I of the National Hous-
10 ing Act, as amended (12 U. S. C. 1701), and (4) the
11 war housing insurance fund shall be available for expendi-
12 ture, in accordance with the provisions of said Act for the
13 administrative expenses of the Federal Housing Admin-
14 istration, including: Personal services in the District of
15 Columbia; travel expenses, in accordance with the Stand-
16 ardized Government Travel Regulations and the Act of
17 June 3, 1926, as amended (5 U. S. C. 821-833), but there
18 may be allowed, in addition to mileage at a rate not to
19 exceed 4 cents per mile for travel by motor vehicle, reim-
20 bursement for the actual cost of ferry fares and bridge,
21 road, and tunnel tolls, and employees engaged in the in-
22 spection of property may be paid an allowance not to
23 exceed 4 cents per mile for all travel performed in pri-
24 vately owned automobiles within the limits of their official
25 posts of duty when such travel is performed in connection

1 with such inspection; printing and binding; lawbooks, books
2 of reference, and not to exceed \$1,500 for periodicals and
3 newspapers; not to exceed \$1,500 for contract actuarial
4 services; maintenance, repair, and operation of two motor-
5 propelled passenger-carrying vehicles; payment, when spe-
6 cifically authorized by the Commissioner, of actual transporta-
7 tion and other necessary expenses and not to exceed \$10 per
8 diem in lieu of subsistence to persons serving, while away
9 from their homes, without other compensation from the
10 United States, in an advisory capacity to the Administration;
11 not to exceed \$2,000 for expenses of attendance, when spe-
12 cifically authorized by the Commissioner, at meetings con-
13 cerned with the work of the Administration; and rent in the
14 District of Columbia: *Provided*, That all necessary expenses
15 of the Administration (including services performed on a con-
16 tract or fee basis, but not including other personal services) in
17 connection with the acquisition, protection, completion,
18 operation, maintenance, improvement, or disposition of real
19 or personal property of the Administration acquired under
20 authority of titles I, II, and VI of said National Housing
21 Act, shall be considered as nonadministrative expenses for
22 the purposes hereof: *Provided further*, That, except as herein
23 otherwise provided, the administrative expenses and other
24 obligations, including nonadministrative expenses, of the
25 Administration shall be incurred, allowed, and paid in ac-

1 cordance with the provisions of said Act of June 27, 1934,
2 as amended (12 U. S. C. 1701).

3 Payment of losses: Not to exceed \$5,000,000 of the
4 funds (after allowance for salaries and expenses as author-
5 ized under the heading, Salaries and expenses, Federal Hous-
6 ing Administration) in the account in the Treasury com-
7 prised of premiums collected under authority of section 2
8 (f), title I, of said Act, shall be available for the payment
9 of losses under insurance granted under section 2 and sec-
10 tion 6, title I, of said Act.

11 FEDERAL PUBLIC HOUSING AUTHORITY

12 Salaries and expenses: In addition to the amounts avail-
13 able (which shall be transferred to this authorization) for
14 the payment of the administrative expenses of the Federal
15 Public Housing Authority in carrying out the provisions of
16 section 201 of the Act of September 9, 1940 (54 Stat. 872),
17 the Act of October 14, 1940, as amended (42 U. S. C.
18 1521), and the Act of March 1, 1941 (55 Stat. 14), as
19 amended and supplemented, relating to war housing, includ-
20 ing temporary shelter, and in carrying out the provisions
21 of sections 3 of the Acts of June 29, 1936 (40 U. S. C.
22 423 and 433), relating, respectively, to the operation and
23 maintenance of the projects transferred pursuant to Execu-
24 tive Order Numbered 7732 of October 27, 1937, and of the
25 projects transferred pursuant to paragraphs 1 (g) and 6 of

1 Executive Order Numbered 9070 of February 24, 1942,
2 not to exceed \$2,782,440 of the funds of said Authority
3 derived from its operations under the Act of September 1,
4 1937, as amended (42 U. S. C. 1401), shall be available
5 for all necessary administrative expenses of said Authority,
6 including personal services and rent in the District of Co-
7 lumbia; purchase (not to exceed ten), maintenance, repair,
8 and operation of motor-propelled passenger-carrying ve-
9 hicles; temporary employment of persons or organizations,
10 by contract or otherwise, for legal or other special services,
11 without regard to section 3709 of the Revised Statutes
12 and the civil-service and classification laws; payment,
13 when specifically authorized by the Commissioner, of (1)
14 the actual transportation and other necessary expenses and
15 not to exceed \$5,000 in connection with payment of \$10
16 per diem in lieu of subsistence to persons serving, while
17 away from their homes and without other compensation
18 from the United States, in an advisory capacity to the
19 Authority and (2) expenses of attendance (not to exceed
20 \$5,000) at meetings or conventions concerned with the work
21 of the Authority; printing and binding; purchase of law-
22 books, books of reference, and periodicals; and photograph-
23 ing equipment.

24 Annual contributions: For the payment of annual contri-
25 butions to public housing agencies in accordance with section

1 10 of the United States Housing Act of 1937, as amended
2 (42 U. S. C. 1410), \$9,500,000, together with the unex-
3 pended balance of the appropriation for this purpose for the
4 fiscal year 1944: *Provided*, That except for payments re-
5 quired on contracts entered into prior to April 18, 1940,
6 no part of this appropriation shall be available for payment
7 to any public-housing agency for expenditure in connection
8 with any low-rent housing project, unless the public-housing
9 agency shall have adopted regulations prohibiting as a tenant
10 of any such project by rental or occupancy any person other
11 than a citizen of the United States.

12 SECURITIES AND EXCHANGE COMMISSION

13 For salaries and expenses, including personal services
14 in the District of Columbia, of the Securities and Exchange
15 Commission in performing the duties imposed by law or in
16 pursuance of law, including employment of experts when
17 necessary; contract stenographic reporting services; purchase
18 and exchange of lawbooks, books of reference, directories,
19 and periodicals; not to exceed \$1,000 for the purchase of
20 newspapers; travel expenses, including the expense of at-
21 tendance, when specifically authorized by the Commission,
22 at meetings concerned with the work of the Securities and
23 Exchange Commission; garage rental; foreign postage; mile-
24 age and witness fees; rental of equipment; operation, main-

1 tenance, and repair of one motor-propelled passenger-carrying
2 vehicle; and purchase of rubber gloves; \$4,651,704.

3 For all printing and binding for the Securities and Ex-
4 change Commission, \$45,000.

5 SMITHSONIAN INSTITUTION

6 Salaries and expenses: For all salaries and expenses
7 necessary for continuing preservation, exhibition, and in-
8 crease of collections from the surveying and exploring expe-
9 ditions of the Government and from other sources; for the
10 system of international exchanges between the United States
11 and foreign countries; for continuing ethnological researches
12 among the American Indians and the natives of Hawaii and
13 the excavation and preservation of archeological remains;
14 for maintenance of the Astrophysical Observatory, including
15 assistants, and making necessary observations in high alti-
16 tudes; and for the administration of the National Collection
17 of Fine Arts; including personal services in the District of
18 Columbia; traveling expenses, including not exceeding
19 \$2,500 for expenses of attendance at meetings concerned
20 with the work of the Institution when specifically author-
21 ized by the Secretary of the Smithsonian Institution; print-
22 ing and binding, not exceeding \$88,500, of which not to
23 exceed \$12,000 shall be available for printing the report
24 of the American Historical Association; purchase, repair, and

1 cleaning of uniforms for guards and elevator conductors;
2 repairs and alterations of buildings and approaches; not
3 exceeding \$5,500 for preparation of manuscripts, drawings,
4 and illustrations for publications; and not exceeding \$6,500
5 for purchase of books, pamphlets, and periodicals,
6 \$1,224,090.

7 Salaries and expenses, National Gallery of Art: For the
8 upkeep and operation of the National Gallery of Art, the
9 protection and care of the works of art therein, and all ad-
10 ministrative expenses incident thereto, as authorized by the
11 Act of March 24, 1937 (50 Stat. 51), as amended by the
12 Public Resolution of April 13, 1939 (Public Resolution
13 Numbered 9, Seventy-sixth Congress), including personal
14 services in the District of Columbia (except as otherwise
15 provided in sec. 4 (c) of such Act); traveling expenses,
16 including not exceeding \$1,000 for expenses of attendance
17 at meetings concerned with the work of the National Gal-
18 lery of Art when specifically authorized by the treasurer of
19 the gallery; periodicals, newspapers, lawbooks (not to exceed
20 \$150), and books of reference; not to exceed \$250 for pay-
21 ment in advance when authorized by the treasurer of the
22 gallery for membership in library, museum, and art asso-
23 ciations or societies whose publications or services are avail-
24 able to members only, or to members at a price lower than
25 to the general public; purchase, repair, and cleaning of

1 uniforms for guards and elevator operators; leather and
2 rubber articles and gas masks for the protection of public
3 property and employees; not to exceed \$5,000 for printing
4 and binding; maintenance, repair, and operation of one
5 passenger-carrying automobile; purchase or rental of devices
6 and services for protecting buildings and contents thereof;
7 and maintenance and repair of buildings, approaches, and
8 grounds, \$634,000: *Provided*, That section 3709 of the
9 Revised Statutes, or the Classification Act of 1923, as
10 amended, shall not apply to the restoration and repair of
11 works of art for the National Gallery of Art, the cost of
12 which shall not exceed \$15,000.

13 TARIFF COMMISSION

14 For salaries and expenses of the Tariff Commission, in-
15 cluding personal services in the District of Columbia and
16 elsewhere, traveling expenses not to exceed \$16,200,
17 purchase and exchange of lawbooks, books of reference,
18 gloves and other protective equipment for photostat and
19 other machine operators, subscriptions to newspapers and
20 periodicals not to exceed \$2,250, and contract stenographic
21 reporting services, as authorized by sections 330 to 341 of
22 the Tariff Act of 1930 (19 U. S. C. 1330-1341), \$930,000,
23 of which amount not to exceed \$2,500 may be expended
24 for attendance at meetings concerned with subjects under
25 investigation by the Commission: *Provided*, That no part

1 of this appropriation shall be used to pay the salary of any
2 member of the Tariff Commission who shall hereafter par-
3 ticipate in any proceedings under sections 336, 337, and 338
4 of the Tariff Act of 1930, wherein he or any member of his
5 family has any special, direct, and pecuniary interest, or in
6 which he has acted as attorney or special representative.

7 For all printing and binding for the Tariff Commission,
8 \$10,000.

9 TENNESSEE VALLEY AUTHORITY

10 For the purpose of carrying out the provisions "The
11 Tennessee Valley Authority Act of 1933", as amended (16
12 U. S. C., ch. 12A), including the continued construction of
13 Kentucky Dam at Gilbertsville, Kentucky; Watts Bar steam
14 plant; Fort Loudoun Dam (including an extension to bring
15 the waters of the Little Tennessee River within the pool of this
16 project); Fontana Dam; South Holston Dam; Watauga Dam;
17 an additional unit at the Sheffield steam plant; and a fertilizer
18 and elemental phosphorus manufacturing plant at or near
19 Mobile, Alabama; and the acquisition of necessary land, the
20 clearing of such land, relocation of highways, and the con-
21 struction or purchase of transmission lines and other facilities,
22 and all other necessary works authorized by such Act,
23 and for printing and binding, lawbooks, books of reference,
24 newspapers, periodicals, purchase, maintenance, and oper-
25 ation of passenger-carrying vehicles, rents in the District of

1 Columbia and elsewhere, and all necessary salaries and ex-
2 penses connected with the organization, operation, and in-
3 vestigations of the Tennessee Valley Authority, and for
4 examination of estimates of appropriations and activities in
5 the field, the unexpended balance on June 30, 1944, in the
6 "Tennessee Valley Authority fund, 1944", and the receipts
7 of the Tennessee Valley Authority from all sources during
8 the fiscal year 1945 (subject to the provisions of section 26
9 of the Tennessee Valley Authority Act of 1933, as amended),
10 shall be covered into and accounted for as one fund to be
11 known as the "Tennessee Valley Authority fund 1945", to
12 remain available until June 30, 1945, and to be available for
13 the payment of obligations chargeable against the "Ten-
14 nessee Valley Authority fund, 1944": *Provided*, That
15 purchases may be made by the Authority during the fiscal
16 year 1945 without regard to the provisions of section
17 3709 of the Revised Statutes and section 9 (b) of the
18 Tennessee Valley Authority Act, as amended, when in the
19 judgment of the Board of Directors of the Authority such a
20 procedure will expedite the completion of projects deter-
21 mined by the President to be essential for defense purposes.

22 THE TAX COURT OF THE UNITED STATES

23 For necessary expenses of The Tax Court of the United
24 States as authorized by chapter 5 of the Internal Revenue
25 Code, and sections 504 and 510 of the Revenue Act of 1942,

1 including personal services and contract stenographic re-
2 porting services, traveling expenses, carfare, stationery,
3 purchase and exchange of lawbooks and books of reference,
4 and periodicals, \$555,000.

5 For all printing and binding for The Tax Court of the
6 United States, \$32,000.

7 UNITED STATES MARITIME COMMISSION

8 To increase the construction fund established by the
9 Merchant Marine Act, 1936, \$6,766,000,000: *Provided*, That
10 the amount of contract authorizations contained in prior Acts
11 for ship construction and facilities incident thereto is hereby
12 increased by \$5,700,000,000 (toward which \$4,665,390,499
13 is included in the amount appropriated herein): *Provided*
14 *further*, That during the fiscal year 1945 not to exceed \$30,-
15 000,000 shall be available for administrative expenses of the
16 United States Maritime Commission, including personal serv-
17 ices at the seat of government; expenses of attendance (not
18 to exceed \$3,800), when specifically authorized by the
19 Chairman of the Commission, at meetings concerned with
20 the work of the Commission; printing and binding; law-
21 books and books of reference; periodicals and newspapers
22 (not to exceed \$6,500); teletype services; purchase (not to
23 exceed \$16,275), maintenance, repair, and operation of
24 passenger-carrying automobiles; compensation as authorized
25 by the Act of August 4, 1939, for officers of the Army, Navy,

1 Marine Corps, or Coast Guard, detailed to the Commission;
2 and not to exceed \$469,500 for the employment by contract
3 or otherwise of persons, firms, or corporations for the per-
4 formance of legal and other special services, without regard
5 to section 3709 of the Revised Statutes or the civil-service
6 and classification laws: *Provided further*, That the amount
7 which may be expended for administrative expenses in the
8 fiscal year 1944 is hereby increased from \$23,000,000 to
9 \$29,130,000.

10 VETERANS' ADMINISTRATION

11 Administration, medical, hospital, and domiciliary ser-
12 vices: For all salaries and expenses of the Veterans' Ad-
13 ministration, including the expenses of maintenance and
14 operation of medical, hospital, and domiciliary services of
15 the Veterans' Administration, in carrying out the duties,
16 powers, and functions devolving upon it pursuant to the
17 authority contained in the Act entitled "An Act to author-
18 ize the President to consolidate and coordinate governmen-
19 tal activities affecting war veterans", approved July 3, 1930
20 (38 U. S. C. 11-11f), and any and all laws for which the
21 Veterans' Administration is now or may hereafter be charged
22 with administering, \$164,000,000: *Provided*, That not to ex-
23 ceed \$3,500 of this amount shall be available for expenses,
24 except membership fees, of employees, detailed by the Ad-
25 ministrator of Veterans' Affairs to attend meetings of asso-

1 ciations for the promotion of medical science or for the bet-
2 terment of insurance practices and conventions of organized
3 war veterans: *Provided further*, That this appropriation
4 shall be available also for personal services in the District of
5 Columbia and elsewhere, including traveling expenses;
6 examination of estimates of appropriations in the field, in-
7 cluding actual expenses of subsistence or per diem allowance
8 in lieu thereof; furnishing and laundering of such wearing
9 apparel as may be prescribed for employees in the perform-
10 ance of their official duties; purchase and exchange of law-
11 books, books of reference, periodicals, and newspapers; for
12 passenger-carrying and other motor vehicles, including pur-
13 chase, maintenance, repair, and operation of same, including
14 not more than two passenger automobiles for general admin-
15 istrative use of the central office in the District of Columbia;
16 and notwithstanding any provisions of law to the contrary,
17 the Administrator is authorized to utilize Government-owned
18 automotive equipment in transporting children of Veterans'
19 Administration employees located at isolated stations to
20 and from school under such limitations as he may by
21 regulation prescribe; and notwithstanding any provisions
22 of law to the contrary, the Administrator is authorized
23 to expend not to exceed \$5,000 of this appropriation for actu-
24 arial services pertaining to the Government life-insurance fund
25 and the National Service Life Insurance Fund, to be obtained

1 by contract, without obtaining competition, at such rates of
2 compensation as he may determine to be reasonable; for allot-
3 ment and transfer to the Federal Security Agency (Public
4 Health Service), the War, Navy, and Interior Depart-
5 ments, for disbursement by them under the various
6 headings of their applicable appropriations, of such amounts
7 as are necessary for the care and treatment of beneficiaries
8 of the Veterans' Administration, including minor repairs
9 and improvements of existing facilities under their juris-
10 diction necessary to such care and treatment; for expenses
11 incidental to the maintenance and operation of farms; for
12 recreational articles and facilities at institutions maintained
13 by the Veterans' Administration; for administrative expenses
14 incidental to securing employment for war veterans; for
15 funeral, burial, and other expenses incidental thereto for
16 beneficiaries of the Veterans' Administration accruing during
17 the year for which this appropriation is made or prior fiscal
18 years: *Provided further*, That the appropriations herein
19 made for the care and maintenance of veterans in hospitals
20 or homes under the jurisdiction of the Veterans' Adminis-
21 tration shall be available for the purchase of tobacco to be
22 furnished, subject to such regulations as the Administrator
23 of Veterans' Affairs shall prescribe, to veterans receiving
24 hospital treatment or domiciliary care in Veterans' Admin-
25 istration hospitals or homes: *Provided further*, That this

1 appropriation shall be available for continuing aid to State
2 or Territorial homes for the support of disabled volunteer
3 soldiers and sailors, in conformity with the Act approved
4 August 27, 1888, (24 U. S. C. 134), as amended, for
5 those veterans eligible for admission to Veterans' Adminis-
6 tration facilities for hospital or domiciliary care: *Provided*
7 *further*, That the Administrator is hereby authorized to
8 employ medical consultants for duty on such terms as he
9 may deem advisable and without regard to the civil service
10 and classification laws: *Provided further*, That this appro-
11 priation shall be available for the purchase directly from
12 sources authorized by the common carriers of printed de-
13 duced fare requests for use by veterans when traveling at
14 their own expense from or to Veterans' Administration facili-
15 ties: *Provided further*, That notwithstanding any limitation
16 in this Act, this appropriation shall be available for the
17 purchase of legal newspapers in an amount not exceeding
18 \$200.

19 No part of this appropriation shall be expended for the
20 purchase of any site for or toward the construction of any
21 new hospital or home, or for the purchase of any hospital
22 or home; and not more than \$2,500,000 of this appropriation
23 may be used to repair, alter, improve, or provide facilities
24 in the several hospitals and homes under the jurisdiction
25 of the Veterans' Administration either by contract or by

1 the hire of temporary employees and the purchase of
2 materials.

3 For printing and binding for the Veterans' Administra-
4 tion, including all its bureaus and functions located in
5 Washington, District of Columbia, and elsewhere, \$450,000.

6 Pensions: For the payment of compensation, pensions,
7 gratuities, and allowances, now authorized under any Act
8 of Congress, or regulation of the President based thereon, or
9 which may hereafter be authorized, including emergency
10 officers' retirement pay and annuities, the administration of
11 which is now or may hereafter be placed in the Veterans'
12 Administration, accruing during the fiscal year for which this
13 appropriation is made or in prior fiscal years, \$558,252,000,
14 to be immediately available.

15 For military and naval insurance accruing during the
16 fiscal year for which this appropriation is made or in prior
17 fiscal years, \$19,794,000.

18 Adjusted service and dependent pay: For payment of
19 adjusted-service credits of not more than \$50 each and the
20 quarterly installments due to dependents of deceased vet-
21 erans, as provided in the Act of May 19, 1924, as amended
22 (38 U. S. C. 631-632, 661-670), \$40,000, to be imme-
23 diately available and to remain available until expended.

24 Adjusted compensation payments: To enable the Ad-
25 ministrator of Veterans' Affairs to carry out the provisions

1 of the World War Adjusted Compensation Act, 1924 (38
2 U. S. C. 591-683), as amended, and the Adjusted Com-
3 pensation Payment Act, 1936, except section 5 thereof (38
4 U. S. C. 686-688b), \$9,000,000, which amount shall be
5 placed to the credit of the Adjusted Service Certificate Trust
6 Fund, to be immediately available and to remain available
7 until expended.

8 National Service Life Insurance: For transfer to the
9 National Service Life Insurance Fund, in accordance with
10 the provisions of the National Service Life Insurance Act
11 of 1940, on account of payments of benefits in excess of the
12 reserve of the policy in case of death, or for premiums waived
13 in case of total disability, in cases where the death or total
14 disability of the insured shall have been determined by the
15 Administrator of Veterans' Affairs to be the result of disease
16 or injury traceable to the extra hazards of military or naval
17 service, and to reimburse the National Service Life Insur-
18 ance Fund for payments made therefrom when recovery of
19 such payments is waived by the Administrator of Veterans'
20 Affairs under the authority of section 609 (a) of said Act,
21 \$500,000,000, to be immediately available and to remain
22 available until expended.

23 Soldiers' and Sailors' Civil Relief: For payment of claims
24 as authorized by article IV of the Soldiers' and Sailors' Civil
25 Relief Act Amendments of 1942, \$400,000, to be imme-

1 diately and continuously available until expended: *Provided*,
2 That any moneys received under said article IV shall be
3 credited to this appropriation.

4 Hospital and domiciliary facilities: For hospital and
5 domiciliary facilities, \$7,374,500, to remain available until
6 expended: *Provided*, That this amount shall be available
7 for use by the Administrator of Veterans' Affairs, with the
8 approval of the President, for extending any of the facilities
9 under the jurisdiction of the Veterans' Administration or for
10 any of the purposes set forth in sections 1 and 2 of the
11 Act approved March 4, 1931 (38 U. S. C. 438j-k): *Pro-*
12 *vided further*, That not to exceed 3 per centum of this
13 amount shall be available for the employment in the District
14 of Columbia and in the field of necessary technical and
15 clerical assistants to aid in the preparation of plans and specifi-
16 cations for the projects as approved hereunder and in the
17 supervision of the execution thereof, and for traveling ex-
18 penses, field office equipment, and supplies in connection
19 therewith.

20 Total, Veterans' Administration, \$1,259,310,500: *Pro-*
21 *vided*, That no part of this appropriation shall be available
22 for hospitalization or examination of any persons except bene-
23 ficiaries entitled under the laws bestowing such benefits to
24 veterans, unless reimbursement of cost is made to the ap-

1 appropriation at such rates as may be fixed by the Administra-
2 tor of Veterans' Affairs.

3 SEC. 102. During the fiscal year ending June 30,
4 1945, the salaries of the Commissioners of the United
5 States Maritime Commission, with the exception of the Chair-
6 man so long as the office is held by the present incumbent,
7 and the Commissioners of the United States Tariff Commis-
8 sion shall be at the rate of \$10,000 each per annum.

9 SEC. 103. No part of any appropriation contained in
10 this Act shall be used to pay the salary or wages of any per-
11 son who advocates, or who is a member of an organization
12 that advocates, the overthrow of the Government of the
13 United States by force or violence: *Provided*, That for the
14 purposes hereof an affidavit shall be considered prima facie
15 evidence that the person making the affidavit does not ad-
16 vocate, and is not a member of an organization that advo-
17 cates, the overthrow of the Government of the United States
18 by force or violence: *Provided further*, That any person who
19 advocates, or who is a member of an organization that ad-
20 vocates, the overthrow of the Government of the United
21 States by force or violence and accepts employment the
22 salary or wages for which are paid from any appropriation
23 contained in this Act shall be guilty of a felony and, upon
24 conviction, shall be fined not more than \$1,000 or im-
25 prisoned for not more than one year, or both: *Provided*

1 *further*, That the above penal clause shall be in addition to,
2 and not in substitution for, any other provisions of existing
3 law.

4 SEC. 104. No part of any appropriation or authoriza-
5 tion in this Act shall be used to pay any part of the salary
6 or expenses of any person whose salary or expenses are pro-
7 hibited from being paid from any appropriation or authori-
8 zation in any other Act; but this prohibition shall be effective
9 only during the period for which such prohibition in such
10 other Act is effective.

11 SEC. 105. Where appropriations in this Act are expend-
12 able for travel expenses and no specific limitation has been
13 placed thereon, the expenditures for travel expenses may not
14 exceed the amount set forth therefor in the budget estimates
15 submitted for the appropriations.

16 SEC. 106. Where appropriations in this Act are ex-
17 pendable for the purchase of newspapers and periodicals
18 and no specific limitation has been placed thereon, the ex-
19 penditures therefor under each such appropriation may not
20 exceed the amount of \$50: *Provided*, That this limitation
21 shall not apply to the purchase of scientific, technical, trade,
22 or traffic periodicals necessary in connection with the per-
23 formance of the authorized functions of the agencies for which
24 funds are herein provided.

25 SEC. 107. If at any time during the fiscal year 1945

1 the termination of the Act entitled "An Act to provide
2 temporary additional compensation for employees in the
3 Postal Service", approved April 9, 1943, or of the Act
4 entitled "An Act to provide for the payment of overtime
5 compensation to Government employees, and for other pur-
6 poses", approved May 7, 1943, shall be fixed by concurrent
7 resolution of the Congress at a date earlier than June 30,
8 1945, the appropriations contained in this Act shall cease
9 to be available on such earlier date for obligation for the
10 purposes of the terminated Act and the unobligated portions
11 of appropriations allocated for the purposes of such termi-
12 nated Act shall not be obligated for any other purposes of
13 the appropriation during the fiscal year 1945.

14 TITLE II—GENERAL PROVISIONS

15 SEC. 201. (a) Appropriations for the fiscal year
16 1945 available for expenses of travel of civilian officers
17 and employees of the executive departments and inde-
18 pendent establishments shall be available also for expenses
19 of travel performed by them on transfer from one official
20 station to another when authorized by the head of the
21 department or establishment concerned in the order direct-
22 ing such transfer: *Provided*, That such expenses shall not
23 be allowed for any transfer effected for the convenience of
24 any officer or employee.

25 (b) Appropriations of the executive departments and

1 independent establishments for the fiscal year 1945 avail-
2 able for the transportation of things shall be available,
3 in accordance with the Act of October 10, 1940 (5 U. S.
4 C. 73c-1), for expenses incurred in the transfer of household
5 goods and effects of civilian officers and employees of such
6 departments and establishments when transferred from one
7 official station to another for permanent duty.

8 SEC. 202. Unless otherwise specifically provided, no
9 appropriation available for the executive departments and
10 independent establishments for the fiscal year 1945 in
11 this Act or any other Act, shall be expended—

12 (a) To purchase any motor-propelled passenger-
13 carrying vehicle (exclusive of busses, ambulances, and sta-
14 tion wagons), at a cost, completely equipped for operation,
15 and including the value of any vehicle exchanged, in excess
16 of such amount as the Secretary of War, in the case of the
17 War Department, the Secretary of the Navy, in the case of
18 the Navy Department, the Commissioners, in case of the
19 government of the District of Columbia, and the Director
20 of the Bureau of the Budget, in the case of other essential
21 governmental needs, may determine necessary to obtain
22 satisfactory motor-propelled passenger-carrying vehicles, but
23 in no event shall the price so paid for any such vehicle ex-
24 ceed the maximum price therefor established by the Office
25 of Price Administration and in no event more than \$1,500,

1 which amount shall be in addition to the amount required
2 for transportation.

3 (b) For the maintenance, operation, and repair of any
4 Government-owned motor-propelled passenger-carrying ve-
5 hicle not used exclusively for official purposes; and "official
6 purposes" shall not include the transportation of officers
7 and employees between their domiciles and places of em-
8 ployment, except in case of medical officers on out-patient
9 medical services and except in cases of officers and employees
10 engaged in field work the character of whose duties makes
11 such transportation necessary and then only as to such latter
12 cases when the same is approved by the head of the depart-
13 ment or establishment concerned. The limitations of this
14 subsection (b) shall not apply to any motor vehicles for
15 official use of the President, the heads of the executive de-
16 partments, Ambassadors, Ministers, *chargés d'affaires*, and
17 other principal diplomatic and consular officials.

18 SEC. 203. In purchasing motor-propelled or animal-
19 drawn vehicles or tractors, or road, agricultural, manufactur-
20 ing, or laboratory equipment, or boats, or parts, accesso-
21 ries, tires, or equipment thereof, the head of any executive
22 department or independent establishment or his duly author-
23 ized representative may exchange or sell similar items and
24 apply the exchange allowances or proceeds of sales in such
25 cases in whole or in part payment therefor.

1 SEC. 204. Section 3709, Revised Statutes (41 U. S.
2 C. 5), shall not apply to any purchase by or service ren-
3 dered to any executive department or independent estab-
4 lishment during the fiscal year 1945 when the aggregate
5 amount involved does not exceed \$100, but this section
6 shall not be construed as affecting any provision of law au-
7 thorizing purchases or services without regard to said section
8 3709 in amounts greater than \$100.

9 SEC. 205. Unless otherwise specified and until July 1,
10 1945, no part of any appropriation contained in this or
11 any other Act shall be used to pay the compensation of any
12 officer or employee of the Government of the United States
13 (including any agency the majority of the stock of which is
14 owned by the Government of the United States) whose
15 post of duty is in continental United States unless such per-
16 son (1) is a citizen of the United States, (2) is a person in
17 the service of the United States on the date of enactment of
18 this Act who, being eligible for citizenship, had filed a de-
19 claration of intention to become a citizen of the United
20 States prior to such date, or (3) is a person who owes al-
21 legiance to the United States: *Provided*, That for the pur-
22 pose of this section, an affidavit signed by any such person
23 shall be considered prima facie evidence that the require-
24 ments of this section with respect to his status have been
25 compiled with: *Provided further*, That any person making

1 a false affidavit shall be guilty of a felony and, upon con-
2 viction, shall be fined not more than \$1,000 or imprisoned
3 for not more than one year, or both: *Provided further*, That
4 the above penal clause shall be in addition to, and not in
5 substitution for, any other provisions of existing law: *Pro-*
6 *vided further*, That any payment made to any officer or em-
7 ployee contrary to the provisions of this section shall be
8 recoverable in action by the Federal Government. This
9 section shall not apply to citizens of the Commonwealth of
10 the Philippines or to nationals of those countries allied with
11 the United States in the prosecution of the war.

12 SEC. 206. Appropriations for the executive departments
13 and independent establishments for the fiscal year 1945
14 available for travel expenses shall be available for the pay-
15 ment of per diem allowances in lieu of subsistence expenses
16 without regard to the Subsistence Expense Act of 1926, as
17 amended (5 U. S. C. 821-833), to civilian officers and em-
18 ployees of such departments and establishments while travel-
19 ing on official business outside the continental limits of the
20 United States and away from their designated posts of duty:
21 *Provided*, That the amount of such allowances shall be deter-
22 mined by the head of the department or independent establish-
23 ment concerned or by such official as he may designate for the
24 purpose, but shall in no case, notwithstanding any other provi-
25 sion of law, exceed the maximum established by regulations

1 prescribed by the President for the locality in which the travel
2 is performed: *Provided further*, That the availability of
3 appropriations of the War and Navy Departments with
4 respect to the foregoing shall not be restricted thereby.

5 SEC. 207. The provision of law prescribing the use
6 of vessels of United States registry by employees of the Gov-
7 ernment traveling overseas (46 U. S. C. 1241) shall not
8 apply to such travel during the fiscal year 1945.

9 SEC. 208. Appropriations of the executive departments
10 and independent establishments for the fiscal year 1945 shall
11 be available for reimbursement at not to exceed 5 cents per
12 mile to personnel serving without compensation from the
13 United States for expenses of travel performed by them in
14 privately owned automobiles away from their designated posts
15 of duty, and not to exceed 3 cents per mile for such travel
16 within the limits of their official stations.

17 SEC. 209. Appropriations of the executive departments
18 and independent establishments for the fiscal year 1945,
19 available for expenses of travel, are hereby made available
20 (1) for allowances for living and quarters in accordance
21 with Standardized Regulations prescribed by the President
22 for civilian officers and employees of the Government tem-
23 porarily stationed in foreign countries, and (2) for living
24 quarters allowances in accordance with the Act of June 26,
25 1930 (5 U. S. C. 118a), and regulations prescribed there-

1 under, and cost of living allowances in accordance with the
2 Act of February 23, 1931, as amended (22 U. S. C. 12),
3 and regulations prescribed thereunder, for all civilian officers
4 and employees of the Government permanently stationed in
5 foreign countries: *Provided*, That the availability of appro-
6 priations of the Departments of War, Navy, and State, except
7 the appropriation Cooperation with the American Republics,
8 for any of the above-mentioned objects shall not be affected
9 hereby.

10 SEC. 210. No part of any appropriation for the fiscal
11 year 1945 contained in this or any other Act shall be
12 paid to any person for the filling of any position for which
13 he or she has been nominated after the Senate has voted not
14 to approve of the nomination of said person.

15 SEC. 211. The funds appropriated in the appropriation
16 Acts for the fiscal year 1945 of the services mentioned in
17 the title of the Act of June 16, 1942 (Public Law 607,
18 Seventy-seventh Congress), shall be available for, and the
19 heads of the executive departments concerned are author-
20 ized to prescribe, per diem rates of allowance, at rates
21 not to exceed \$7 per day, in lieu of subsistence to officers
22 traveling on official business and away from their designated
23 posts of duty, and to members of the services concerned
24 (including officers, warrant officers, contract surgeons, en-
25 listed personnel, aviation cadets, and members of the Nurse

1 Corps) when traveling by air under competent orders and
2 on duty without troops.

3 SEC. 212. No part of any appropriation contained in
4 this or any other Act shall be used to pay in excess of \$2
5 per volume for the current and future volumes of the United
6 States Code Annotated or in excess of \$3.25 per volume for
7 the current or future volumes of the Lifetime Federal Digest.

8 SEC. 213. This Act may be cited as the "Independent
9 Offices Appropriation Act, 1945".

Passed the House of Representatives January 31, 1944.

Attest:

SOUTH TRIMBLE,

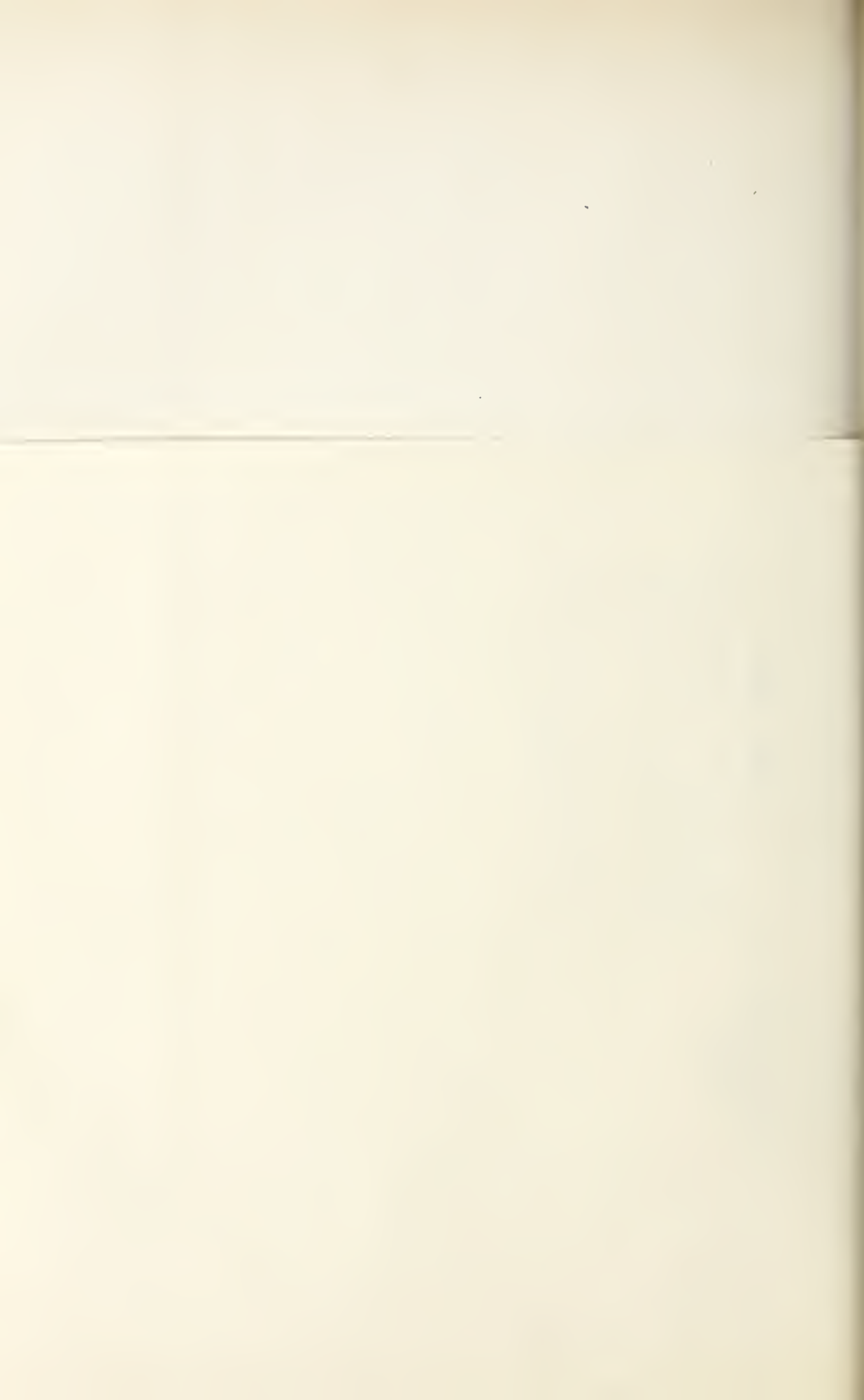
Clerk.

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

FEBRUARY 1 (Legislative day, JANUARY 24), 1944

Read twice and referred to the Committee on Appropriations



78TH CONGRESS
2^D SESSION

H. R. 4070

IN THE SENATE OF THE UNITED STATES

FEBRUARY 23 (legislative day, FEBRUARY 7), 1944

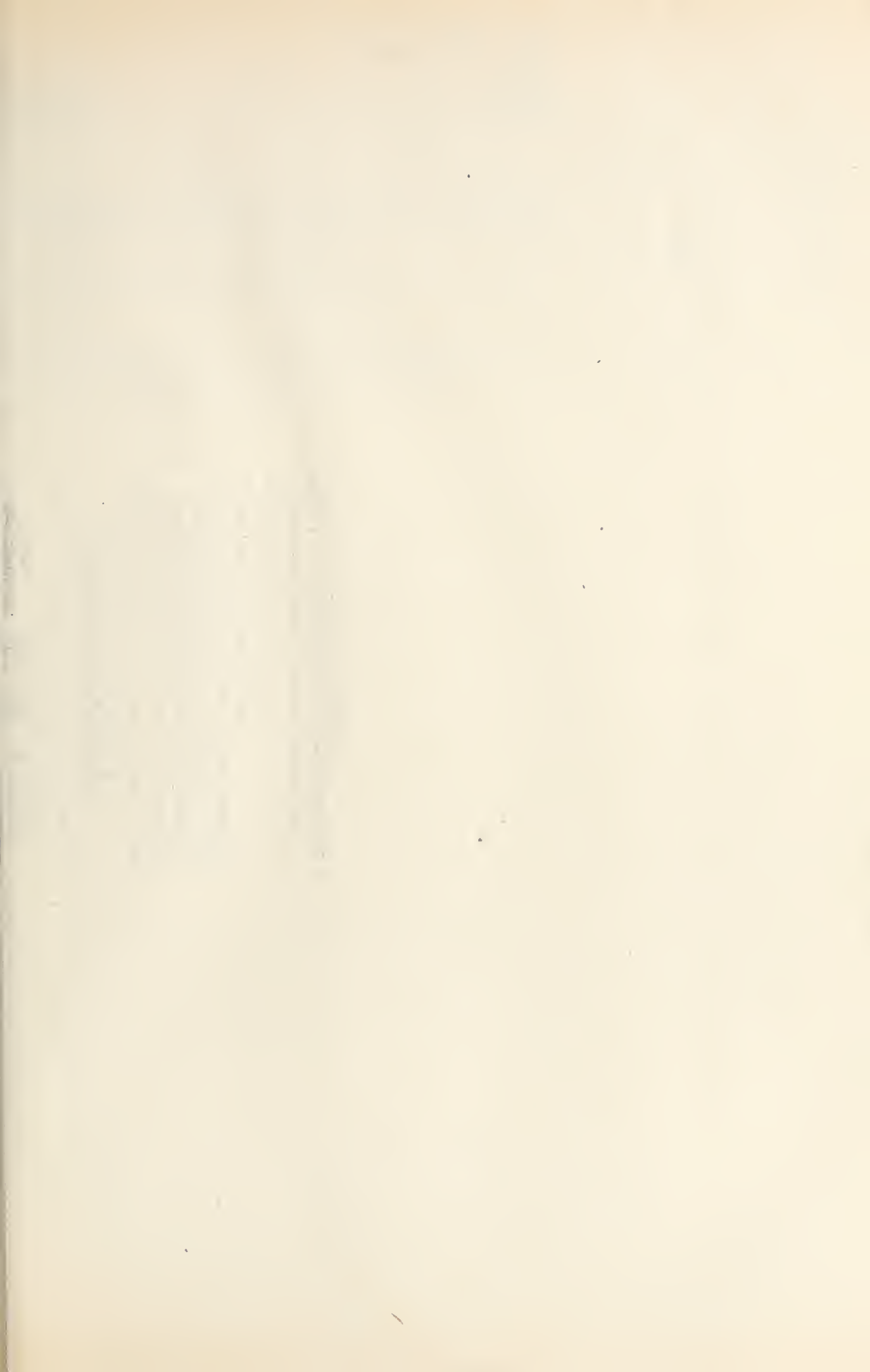
Referred to the Committee on Appropriations and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. RUSSELL to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, viz: After section 212, insert the following new section:

- 1 SEC. 213. No part of any appropriation made by this or
- 2 any other Act shall be allotted or made available to, or used
- 3 to pay the expenses of, any agency or instrumentality estab-
- 4 lished by Executive order after such agency or instrumen-
- 5 tality has been in existence for more than one year, if the
- 6 Congress has not appropriated any money specifically for
- 7 such agency or instrumentality or specifically authorized the

1 expenditure of funds by it. For the purposes of this section,
2 any agency or instrumentality established by Executive order
3 shall be deemed to have been in existence during the exist-
4 ence of any other agency or instrumentality, (established by a
5 prior Executive order, if the principal functions of both of
6 such agencies or instrumentalities are substantially the same
7 or similar. When any agency or instrumentality is or has
8 been prevented from using appropriations by reason of this
9 section, no part of any appropriation made by this or any
10 other Act shall be used to pay the expenses of the perform-
11 ance by any other agency or instrumentality of functions
12 which are substantially the same as or similar to the principal
13 functions of the agency or instrumentality so prevented from
14 using appropriations, unless the Congress has specifically
15 authorized the expenditure of funds for performing such
16 functions.



H. R. 4070

AMENDMENT

Intended to be proposed by Mr. Russell to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

FEBRUARY 23 (legislative day, FEBRUARY 7), 1944
Referred to the Committee on Appropriations and
ordered to be printed

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

MARCH 9 (legislative day, FEBRUARY 7), 1944.—Ordered to be printed

Mr. McKELLAR, for Mr. GLASS, from the Committee on Appropriations, submitted the following

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

MARCH 9 (legislative day, FEBRUARY 7), 1944.—Ordered to be printed

Mr. McKELLAR, for Mr. GLASS, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4070]

The Committee on Appropriations, to whom was referred the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amounts of bill as passed House.....	\$8, 500, 590, 352. 00
Amount of increase by Senate (net).....	57, 403, 626. 00
Amount of bill as reported to Senate.....	8, 557, 993, 978. 00
Amount of the appropriations, 1944.....	2, 873, 507, 799. 00
Amount of the regular estimates, 1945.....	8, 524, 122, 309. 00
The bill as reported to the Senate:	
Exceeds the estimates for 1945.....	33, 871, 669. 00
Exceeds the appropriations for 1944.....	5, 684, 486, 179. 00

While the report indicates that the bill exceeds the estimates by \$33,871,669, it must be borne in mind that the bill as reported to the Senate provides that all unexpended balances and all receipts of the Tennessee Valley Authority totaling \$87,791,180 be paid into the Treasury. The bill as reported to the Senate carries a cash appropriation of \$76,981,873 for the operations of the Tennessee Valley Authority for 1945, while the bill as it passed the House made available unexpended balances and receipts for the use of the Authority.

Omitting the Tennessee Valley Authority appropriation, the remainder of the bill as reported to the Senate shows a decrease of \$43,110,204 in the Budget estimates.

The bill as reported to the Senate shows a net increase of \$57,403,626. Included in that increase is the cash appropriation of \$76,981,873 for the Tennessee Valley Authority. If that sum is deducted from the net increase for the same reasons as explained in the preceding paragraph, instead of showing an increase, the action of the committee reflects decreases amounting to \$19,578,247.

The changes in the amounts of the House bill recommended by the committee are as follows:

INCREASES AND LIMITATIONS

National Archives:

Salaries and expenses, additional personnel-----	\$41, 660. 00
--	---------------

Tariff Commission:

Salaries and expenses-----	50, 000. 00
----------------------------	-------------

The amount recommended by the committee is to provide the full amount of the Budget estimate, \$980,000, and is needed to enable the Commission to meet the requirements being made of the Commission by the Congress, through its House Ways and Means Committee and Senate Finance Committee.

Tennessee Valley Authority:

To carry out the provisions of the Tennessee Valley Authority Act of 1933, as amended-----	76, 981, 873. 00
--	------------------

The paragraph on the Tennessee Valley Authority as amended by the committee reads as follows:

"TENNESSEE VALLEY AUTHORITY

"For the purpose of carrying out the provisions of 'The Tennessee Valley Authority Act of 1933', as amended (16 U. S. C., ch. 12A), including the continued construction of Kentucky Dam at Gilbertsville, Kentucky; ~~Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project);~~ Fontana Dam; South Holston Dam; Watauga Dam; ~~an additional unit at the Sheffield steam plant;~~ and a fertilizer and elemental phosphorus manufacturing plant at or near Mobile, Alabama; and the acquisition of necessary land, the clearing of such land, and relocation of highways, ~~within authorized projects,~~ and the construction or purchase (not exceeding \$600,000) of transmission lines and other facilities ~~authorized by the Tennessee Valley Authority Act of 1933, as amended, and all other necessary works authorized by such Act,~~ and for printing and binding, lawbooks, books of reference, ~~newspapers, periodicals, purchase,~~ maintenance, repair, and operation of not more than seven hundred passenger-carrying vehicles not exceeding \$225,000 (and all passenger-carrying motor vehicles owned by the Authority in excess of seven hundred and all aircraft other than those used for mosquito control work shall be declared surplus and shall be sold to the highest bidder or bidders), rents in the District of Columbia

INCREASES AND LIMITATIONS—Continued

Tennessee Valley Authority—Continued.

and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority;—~~and for examination of estimates of appropriations and activities in the field, \$76,981,873, to be accounted for as one fund known as the 'Tennessee Valley Authority fund, 1945', to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944'; and the unexpended balance on June 30, 1944, in the 'Tennessee Valley Authority fund, 1944', and all the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 (subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended) and subsequent fiscal years, shall be covered as and when collected into and accounted for as one fund to be known as the 'Tennessee Valley Authority fund, 1945', to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944';~~ *Provided*, That purchases may be made by the Authority during the fiscal year 1945 without regard to the provisions of section 3709 of the Revised Statutes and section 9 (b) of the Tennessee Valley Authority Act, as amended, when in the judgment of the Board of Directors of the Authority such a procedure will expedite the completion of projects determined by the President to be essential for defense purposes the general fund of the Treasury of the United States: *Provided*, That no part of any appropriation or fund made available to the Tennessee Valley Authority by this Act or otherwise for the fiscal year 1945 or any subsequent fiscal year shall be used (1) for paying for advertisements in newspapers, by radio, or otherwise (except publication of notices required by statute and except in cases of emergency shortage of power); (2) for paying for any expenses in connection with explorations for sources of alumina or other minerals (except such as are necessary for the construction, completion, or operation of any authorized projects); (3) for buying lands or buildings or building steam plants or building new dams or additions to dams, not authorized by law; (4) for the purchase of passenger-carrying vehicles; (5) for the maintenance, repair, or operation of any passenger-carrying vehicle, unless such vehicle is (a) used only upon official business of the Authority and (b) has painted on each side in white letters not less than two inches high 'TVA On Official Business'; (6) for the payment of any claim for damages, or any contested claim, involving a sum of \$10,000 or more, except in pursuance of an order, decree, or judgment made by a court of competent jurisdiction after a hearing in such court as to the facts relating to such claim; (7) for any political purpose whatsoever, directly or indirectly, or for the purpose of seeking to influence public opinion, by means of lectures, advertisements, publications, public statements, radio, or otherwise, for or against (a) any candidate for public office or (b) any legislation or legislative proposal; (8) for paying any compensation to or expenses of any member or other officer or employee of the Authority who takes an active part in political management or political campaigns or who seeks to influence public opinion, by means of lectures, advertisements,

INCREASES AND LIMITATIONS—Continued

Tennessee Valley Authority—Continued.

publications, public statements, radio, or otherwise, for or against (a) any candidate for public office or (b) any legislation or legislative proposal; (9) for furnishing fertilizer or any components thereof to any person free of charge, or at less than cost, unless such person be selected and approved by the county agent of the county of such person's residence; (10) for paying for any audit or examination of the books or accounts of the Authority by any nongovernmental accountant or firm, the Comptroller General of the United States being authorized by law to make such audits; (11) for paying any administrative or other expenses in connection with the making of any contract which discriminates unjustly between consumers of the same character of current under similar circumstances; (12) for the establishment of or additions to any reserve fund; (13) for paying the salary or compensation at a rate of \$4,500 or more per annum of any officer or employee who shall not be appointed by the President, by and with the advice and consent of the Senate; (14) for the maintenance, repair, or operation of any aircraft other than those used for mosquito control work; (15) for the maintaining the principal office, principal place of business, or general headquarters of the Authority at any place other than in the immediate vicinity of Muscle Shoals, Alabama; or (16) for paying the compensation of any member of the board of directors of the Authority, or any officer or employee of the Authority having general supervisory powers over any phase of its activities throughout its area of operations, who does not maintain his principal place of business and office in the immediate vicinity of Muscle Shoals, Alabama."

The purposes of the amendments recommended by the committee are, first, to require that receipts of the Tennessee Valley Authority be covered into the general fund of the Treasury and that the expenses of the Authority be paid from appropriations made by the Congress and, second, to place certain limitations upon the expenditures which may be made by the Authority.

Section 26 of the Tennessee Valley Authority Act provides that all receipts of the Authority shall be paid into the Treasury of the United States at the end of each calendar year, except for such part thereof as may be necessary for conducting certain specified operations of the Authority. This appropriation bill, as it passed the House, contained provisions relating to the Tennessee Valley Authority which change the method provided by the basic act for handling the receipts of the Authority. These provisions of the House bill provide that the unexpended balance on June 30, 1944, of the funds heretofore made available for the Authority, together with all receipts of the Authority for the fiscal year 1945, shall be covered into a fund to be designated as the "Tennessee Valley Authority Fund, 1945," and shall be available for expenditure by the Authority during the fiscal year 1945. The estimated amount of the 1944 unexpended balance is \$19,262,298 and the estimated receipts for the fiscal year 1945 are \$68,528,882, making an estimated amount which would be available under the House bill of \$87,791,180.

INCREASES AND LIMITATIONS—Continued

Tennessee Valley Authority—Continued.

The Senate committee amendments provide a direct appropriation from the Treasury of \$76,981,873, and also provide that the 1944 unexpended balance and all of the receipts for 1945 and subsequent years shall be covered into the general funds of the Treasury, as and when such receipts are collected. The net saving over the House bill, therefore, will be \$10,809,307. This reduction is accounted for by elimination of or reduction in amounts for the following items:

(1) Elimination of estimated unobligated balance, end of fiscal year 1945.....	\$8, 656, 298
(2) Elimination of item for Watts Bar steam plant.....	525, 000
(3) Elimination of item for Fort Loudoun Dam.....	584, 742
(4) Elimination of item for development of mineral resources.....	475, 000
(5) Reduction in item for operation of passenger-carrying vehicles.....	54, 573
(6) Elimination of cost of audits by private accountants.....	30, 000
(7) Reduction in amount of item for transmission lines.....	483, 694
Total.....	10, 809, 307

The Senate committee amendments strike out the items contained in the House bill for the Watts Bar steam plant, the Fort Loudoun Dam, an additional unit at the Sheffield steam plant, newspapers, periodicals, and the purchase of passenger-carrying vehicles. The amendments limit the number of the passenger-carrying vehicles which may be operated by the Authority to 700, and limit the amount of money that may be spent for that purpose to \$225,000. All passenger-carrying vehicles owned by the Authority in excess of 700 and all aircraft owned by it except those engaged in mosquito control work are required to be disposed of to the highest bidder or bidders. The amendments eliminate language in the House bill relating to the authority for making expenditures for examinations of estimates of appropriations and activities in the field. The amendments also eliminate a proviso contained in the House bill which would permit purchases without regard to the provisions of section 3709 of the Revised Statutes and section 9 (B) of the Tennessee Valley Authority Act. The amendments impose a number of additional limitations upon expenditures by the Authority which are set forth in the preceding text of the Senate amendments.

United States Maritime Commission:

It is recommended by the committee that the amount for administrative expenses be increased from \$30,000,000 as proposed by the House to \$39,983,725. It is also recommended that the amount made available for the purchase of passenger-carrying automobiles be stricken from the bill.

INCREASES AND LIMITATIONS—Continued

Veterans' Administration:

Federal Board of Hospitalization: Salaries and expenses	\$44, 940. 00
Total increase	77, 118, 473. 00

DECREASES AND LIMITATIONS

Bureau of the Budget:

Salaries and expenses	\$459, 940. 00
The reductions recommended by the committee are as follows:	
Field offices	\$360, 000
Temporary employment of persons and organizations	55, 000
Federal Board of Hospitalization	44, 940
	459, 940

It is recommended by the committee that the following paragraph prohibiting the establishment and maintenance of regional field, or any other offices outside the District of Columbia be added to the bill:

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of regional, field, or any other offices outside the District of Columbia.

National Defense activities:

It is recommended by the committee that the following language relating to the employment of temporary services be stricken from the bill:

"and including the temporary employment (not exceeding \$65,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes and the Classification Act of 1923, as amended"

It is recommended by the committee that the following provision relative to the life of the funds for national defense activities be added to the bill:

: Provided, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law

Total, Bureau of the Budget	459, 940. 00
-----------------------------	--------------

DECREASES AND LIMITATIONS—Continued

Civil Service Commission:

Salaries and expenses.....	\$540, 250. 00
----------------------------	----------------

The reductions recommended by the committee are as follows:

General activities.....	\$517, 250
-------------------------	------------

Prevention of pernicious political activities.....	23, 000
--	---------

	540, 250
--	----------

National defense activities.....	4, 995, 504. 00
----------------------------------	-----------------

General provision:

It is recommended by the committee that the following paragraph be added to the bill:

"No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943."

Total, Civil Service Commission.....	5, 535, 754. 00
--------------------------------------	-----------------

Federal Communications Commission:

Salaries and expenses.....	209, 000. 00
----------------------------	--------------

It is recommended by the committee that the provision for 7 new automobiles be stricken from the bill.

Salaries and expenses, national defense.....	300, 000. 00
--	--------------

It is recommended by the committee that the provision permitting the purchase of 20 passenger-carrying motor vehicles be stricken from the bill.

Total, Federal Communications Commission.....	509, 000. 00
---	--------------

Federal Power Commission:

Salaries and expenses.....	3, 000. 00
----------------------------	------------

Printing and binding.....	5, 000. 00
---------------------------	------------

Total, Federal Power Commission.....	8, 000. 00
--------------------------------------	------------

DECREASES AND LIMITATIONS—Continued

Federal Trade Commission:

Salaries and expenses.....	\$32, 363. 00
The reduction recommended by the committee represents the denial of funds for 7 additional trial attorneys in connection with unlawful-practices work.	
Printing and binding.....	5, 900. 00
Total, Federal Trade Commission.....	38, 263. 00

Federal Works Agency:

Public Buildings Administration:

Repair, preservation, and equipment outside the District of Columbia.....	1, 000, 000. 00
Salaries and expenses, public buildings and grounds in the District of Columbia; purchase of 2 automobiles.....	1, 600. 00
Salaries and expenses, public buildings outside the District of Columbia.....	1, 000, 000. 00

It is recommended by the committee that the following language be stricken from the bill:

“purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of 1 motor-propelled passenger-carrying vehicle,”

Public Roads Administration:

Strategic highway network.....	10, 000, 000. 00
Surveys and plans.....	1, 000, 000. 00

The following provision relative to the release of funds held in reserve is recommended for inclusion in the bill:

All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby released and made available for obligation or expenditure for the purposes for which they were originally appropriated.

Total, Federal works.....	13, 001, 600. 00
---------------------------	------------------

Foreign service pay adjustment.....	82, 390. 00
-------------------------------------	-------------

DECREASES AND LIMITATIONS—Continued

General Accounting Office:

Miscellaneous expenses, purchase of 1 motor-propelled passenger-carrying vehicle-----	\$1, 400. 00
---	--------------

Interstate Commerce Commission:

Motor-transport regulation, purchase of not to exceed 7 motor-propelled passenger-carrying vehicles-----	10, 000. 00
--	-------------

National Advisory Committee for Aeronautics: •

Salaries and expenses, purchase of 2 motor-propelled, passenger-carrying vehicles-----	1, 300. 00
--	------------

National Housing Agency:

Federal Housing Administration:

It is recommended by the committee that the amount available for the Federal Housing Administration be decreased from \$10,484,635 to \$10,184,655, or a decrease of \$300,000.

Federal Public Housing Authority:

It is recommended by the committee that the provision for the purchase of 10 motor-propelled passenger-carrying vehicles be deleted from the bill and that the amount for administrative expenses be reduced by \$9,500.

Veterans' Administration:

Administration, medical, hospital, and domiciliary services; purchase of 35 motor-propelled vehicles-----	67, 200. 00
---	-------------

Total decrease-----	19, 714, 847. 00
---------------------	------------------

General provisions:

Sec. 202 (b):

It is recommended by the committee that the following provision relative to the use of motor vehicles be added to the bill:

; (2) unless there shall be painted in white letters not less than two inches high on both sides of each motor vehicle and trailer owned or leased by the United States Government the words "On Official Business," and (3) unless there shall also be displayed at all times in a conspicuous place a sign designating the particular department, independent establishment, or other Federal agency which operates said vehicle. Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office, and shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than one year, or both.

It is further recommended by the committee that the following provision be added to the bill exempting certain agencies from clauses (2) and (3) of the above amendment:

and clauses (2) and (3) shall not apply to motor vehicles operated by the Federal Bureau of Investigation and the Immigration and Naturalization Service of the Department of Justice and the Secret Service of the Treasury Department

DECREASES AND LIMITATIONS—Continued

General provisions—Continued.

Section 210:

It is recommended by the Committee that the section be amended to provide that all persons receiving a salary of \$4,500 or more per annum shall be appointed by the President by and with the advice and consent of the Senate. The amended paragraph reads as follows:

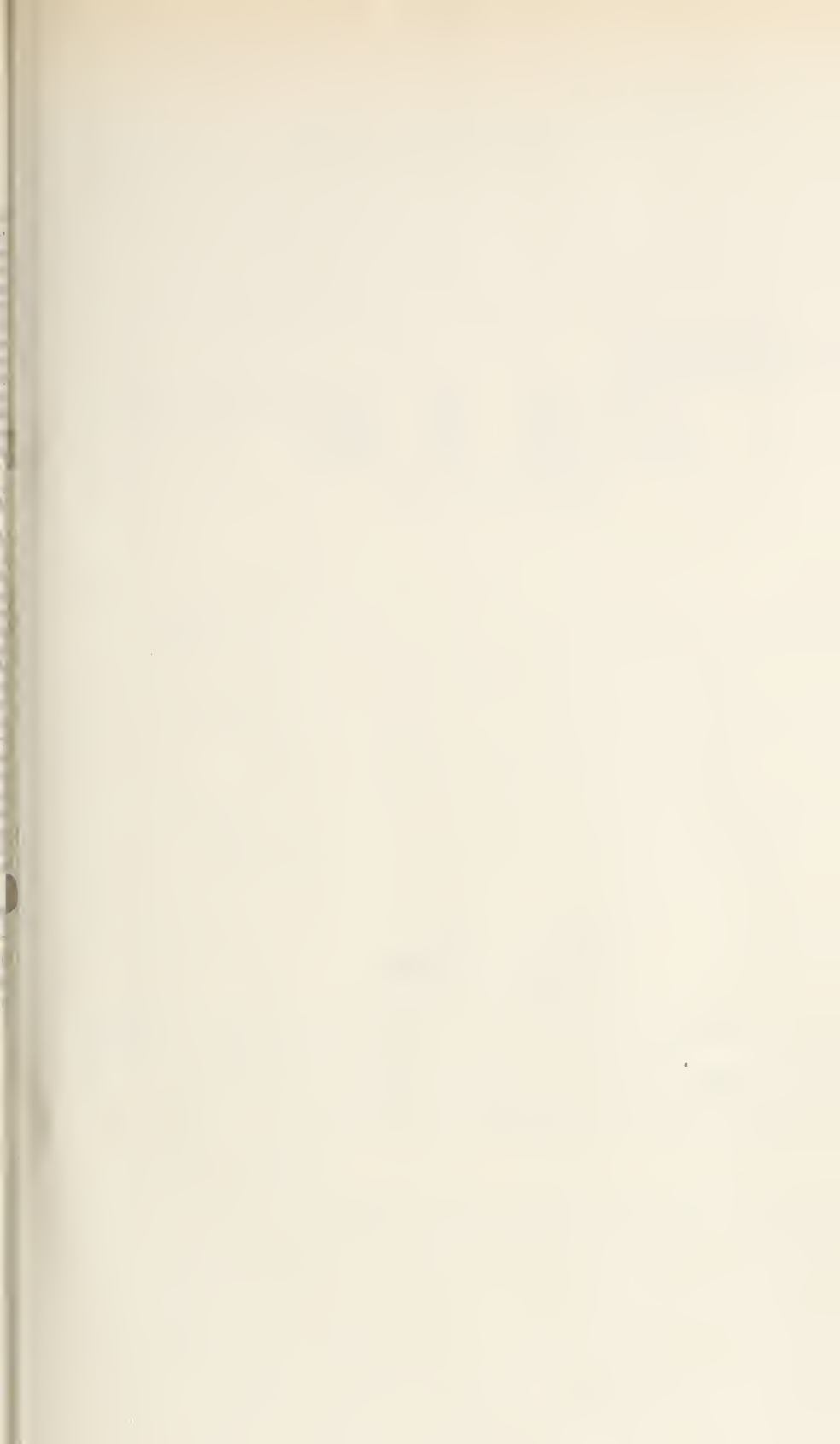
SEC. 210. No part of any appropriation available for the executive departments and independent establishments (including any agency the majority of the stock of which is owned by the Government of the United States) for the fiscal year 1945 or any subsequent fiscal year contained in this or any other Act shall be (1) paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person, or (2) available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall be appointed by the President, by and with the advice and consent of the Senate.

Section 213.

It is recommended by the committee that the following new section relative to certain agencies created by Executive order be added to the bill:

SEC. 213. No part of any appropriation or fund made available by this or any other Act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality established by Executive order after such agency or instrumentality has been in existence for more than one year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other Act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions.

Total increase-----	\$77, 118, 473. 00
Total decrease-----	19, 714, 847. 00
Net increase-----	57, 403, 626. 00
Amount of bill as reported to the Senate-----	8, 557, 993, 978. 00



Calendar No. 761

78TH CONGRESS
2D SESSION

H. R. 4070

[Report No. 730]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 1 (legislative day, JANUARY 24), 1944

Read twice and referred to the Committee on Appropriations

MARCH 9 (legislative day, FEBRUARY 7), 1944

Reported by Mr. McKELLAR (for Mr. GLASS), with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Execu-
5 tive Office and sundry independent executive bureaus, boards,
6 commissions, and offices, for the fiscal year ending June 30,
7 1945, namely:

1

TITLE I

2

EXECUTIVE OFFICE OF THE PRESIDENT

3

COMPENSATION OF THE PRESIDENT AND VICE PRESIDENT

4

For compensation of the President of the United States,

5

\$75,000.

6

For compensation of the Vice President of the United

7

States, \$15,000.

8

THE WHITE HOUSE OFFICE

9

Salaries: For personal services in the office of the Pres-

10

ident, including the Secretary to the President, two addi-

11

tional secretaries to the President and six administrative

12

assistants to the President at \$10,000 each; \$256,431: *Pro-*

13

vided, That employees of the executive departments and other

14

establishments of the executive branch of the Government

15

may be detailed from time to time to the office of the Presi-

16

dent of the United States for such temporary assistance as

17

may be deemed necessary.

18

Contingent expenses: For contingent expenses of The

19

White House Office, including stationery, record books, tele-

20

grams, telephones, books for library, furniture and carpets

21

for offices, automobiles, expenses of garage, including labor,

22

special services, and miscellaneous items to be expended in

23

the discretion of the President, \$50,000.

24

For printing and binding, \$2,700.

25

Traveling expenses: For traveling and official enter-

1 tainment expenses of the President of the United States, to
 2 be expended in his discretion and accounted for on his
 3 certificate solely, \$30,000.

4 EXECUTIVE MANSION AND GROUNDS

5 For the care, maintenance, repair and alteration, re-
 6 furnishing, improvement, heating and lighting, including
 7 electric power and fixtures of the Executive Mansion and
 8 the Executive Mansion grounds, and traveling expenses, to
 9 be expended as the President may determine, notwithstand-
 10 ing the provisions of any other Act, \$150,000.

11 BUREAU OF THE BUDGET

12 Salaries and expenses: For all expenses necessary for
 13 the work of the Bureau of the Budget, including personal
 14 services in the District of Columbia and elsewhere, contract
 15 stenographic reporting services, traveling expenses, includ-
 16 ing expenses of attendance at meetings when necessary in
 17 furthering the work of the Bureau of the Budget, lawbooks,
 18 books of reference, periodicals and newspapers (not ex-
 19 ceeding \$500) and periodicals, teletype news service, main-
 20 tenance, repair, and operation of three passenger-carrying
 21 automobiles for official use, and not to exceed \$55,000 for
 22 temporary employment of persons or organizations by con-
 23 tract or otherwise without regard to section 3709 of the
 24 Revised Statutes, or the Classification Act of 1923, as

1 amended, ~~\$2,290,340~~ \$1,830,400,—of which ~~\$44,940~~ shall
 2 be allocated to the Federal Board of Hospitalization.

3 For printing and binding, \$52,000.

4 National defense activities: For all necessary expenses
 5 of the Bureau of the Budget in the performance of activities
 6 relating to the national defense, including all the objects
 7 for which the appropriation “Salaries and expenses, Bureau
 8 of the Budget” is available,—and including the temporary
 9 employment ~~(not exceeding \$65,000)~~ of persons or
 10 organizations by contract or otherwise, without regard
 11 to section 3709 of the Revised Statutes and the Classification
 12 Act of 1923, as amended; the employment of persons, includ-
 13 ing State, county, or municipal officers and employees, with
 14 or without compensation; and the payment of actual trans-
 15 portation and other necessary expenses and not to exceed
 16 \$10 per diem in lieu of subsistence of persons serving, while
 17 away from their homes without other compensation from
 18 the United States, in an advisory capacity to the Bureau,
 19 \$879,800: *Provided, That upon the expiration of sixty days*
 20 *after the cessation of hostilities between the United States*
 21 *and the principal enemy powers or after the date of an*
 22 *armistice between the United States and the principal enemy*
 23 *powers, this appropriation shall cease to be available for*
 24 *obligations unless Congress shall otherwise provide by law.*

1 *No part of the appropriations herein made to the Bureau*
 2 *of the Budget shall be used for the maintenance or establish-*
 3 *ment of regional, field, or any other offices outside the Dis-*
 4 *trict of Columbia.*

5 INDEPENDENT ESTABLISHMENTS

6 AMERICAN BATTLE MONUMENTS COMMISSION

7 For all expenses necessary for the work of the Ameri-
 8 can Battle Monuments Commission authorized by the Act
 9 of March 4, 1923 (36 U. S. C. 121-138), and by Execu-
 10 tive Order Numbered 6614 of February 26, 1934, including
 11 the acquisition of land or interest in land in foreign countries
 12 for carrying out the purposes of said Act and Executive
 13 Order without submission to the Attorney General of the
 14 United States under the provisions of section 355 of the
 15 Revised Statutes (34 U. S. C. 520; 40 U. S. C. 255);
 16 employment of personal services in the District of Columbia
 17 and elsewhere; purchase and repair of uniforms for caretakers
 18 of national cemeteries and monuments in Europe at a cost
 19 not exceeding \$500; travel expenses; rent of office and
 20 garage space in foreign countries which may be paid for
 21 in advance; the maintenance, repair, and operation of motor-
 22 propelled passenger-carrying vehicles which may be fur-
 23 nished to the Commission by other departments of the
 24 Government or acquired by purchase; printing, binding,
 25 engraving, lithographing, photographing, and typewriting,

1 including the publication of information concerning the
2 American activities, battlefields, memorials, and cemeteries
3 in Europe; transfer of household goods and effects as pro-
4 vided by the Act of October 10, 1940, and regulations
5 promulgated thereunder, and, when ordered or approved
6 by the Commission, expenses of travel of dependents of
7 employees when transferred from one official station to an-
8 other, and the temporary transfer of employees by the
9 Commission between places in foreign countries or between
10 foreign countries and the United States, including transfers
11 incident thereto, or, in the case of new appointments, trans-
12 fer from place of appointment, may, if ordered or approved
13 by the Commission, be regarded as a transfer from one offi-
14 cial station to another for permanent duty. for the purpose
15 of authorizing the payment of travel of dependents and for
16 the purposes of said Act of October 10, 1940, and regula-
17 tions promulgated thereunder; and the purchase of maps,
18 textbooks, newspapers and periodicals: \$41,785: *Provided*,
19 That notwithstanding the requirements of existing laws or
20 regulations, and under such terms and conditions as the
21 Commission may in its discretion deem necessary and proper,
22 the Commission may contract for work, supplies, materials,
23 and equipment in Europe and engage, by contract or other-
24 wise, the services of architects, firms of architects, and other
25 technical and professional personnel: *Provided further*, That

1 when traveling on business of the Commission, officers of
 2 the Army serving as members or as secretary of the Com-
 3 mission may be reimbursed for expenses as provided for
 4 civilian members of the Commission: *And provided further,*
 5 That the Commission may delegate to its chairman, secre-
 6 tary, or officials in charge of either its Washington or Paris
 7 offices, under such terms and conditions as it may prescribe,
 8 such of its authority as it may deem necessary and proper.

9 CIVIL SERVICE COMMISSION

10 Salaries and expenses: For all expenses necessary for
 11 the work of the Civil Service Commission, including personal
 12 services in the District of Columbia; not to exceed ~~\$5,000~~
 13 *\$2,500* for employment of expert examiners not in the Fed-
 14 eral service on special subjects for which examiners within the
 15 service are not available; medical examinations; contract sten-
 16 ographic reporting services; traveling expenses, including
 17 those of examiners acting under the direction of the Commis-
 18 sion, and expenses of examinations and investigations held in
 19 Washington and elsewhere, including not to exceed \$5,000 for
 20 expenses of attendance at meetings of organizations concerned
 21 with the work of the Commission; witness fees and mile-
 22 age, including fees to deponents and persons taking deposi-
 23 tions, at rates paid in the courts of the United States; rental
 24 of equipment; laundry service; not to exceed \$10,000 for
 25 purchase and exchange of lawbooks, books of reference, news-

1 papers, and periodicals; not to exceed \$200 for payment in
 2 advance for library membership in societies whose publica-
 3 tions are available to members only or to members at a price
 4 lower than to the general public; charts; ~~purchase~~, main-
 5 tenance, and repair of motortrucks, motorcycles, and bicycles;
 6 not to exceed \$217,000 for printing and binding; ~~\$6,056,473~~
 7 ~~\$5,516,223~~, of which not to exceed \$100,000 shall be avail-
 8 able for reimbursement to the Veterans' Administration for
 9 services rendered the Commission in connection with physical
 10 examinations of applicants for and employees in the Federal
 11 classified service; not to exceed ~~\$113,000~~ \$90,000 for per-
 12 forming the duties imposed upon the Civil Service Com-
 13 mission by the Act of July 19, 1940 (54 Stat. 767); and
 14 not to exceed \$3,000 for actuarial services by contract, with-
 15 out regard to section 3709, Revised Statutes: *Provided*,
 16 That no details from any executive department or inde-
 17 pendent establishment in the District of Columbia or else-
 18 where to the Commission's central office in Washington or
 19 to any of its regional offices shall be made during the fiscal
 20 year ending June 30, 1945, but this shall not affect the
 21 making of details for service as members of the boards
 22 of examiners outside the immediate offices of the regional
 23 directors, nor shall it affect the making of details of per-
 24 sons qualified to serve as expert examiners on special sub-
 25 jects: *Provided further*, That the Civil Service Commission

1 shall have power in case of emergency to transfer or detail
2 any of its employees to or from its office or field force.

3 Salaries and expenses, national defense: For all necessary
4 expenses of the Civil Service Commission in connection with
5 the recruitment and placement of civilian personnel required
6 in connection with emergencies affecting the national security
7 and defense, including personal services in the District of
8 Columbia, traveling expenses; and other items otherwise
9 properly chargeable to appropriations of the Civil Service
10 Commission for salaries and expenses and not to exceed \$50,-
11 000 for printing and binding, ~~\$12,995,504~~ \$8,000,000:
12 *Provided*, That upon the expiration of sixty days after the
13 cessation of hostilities between the United States and the
14 principal enemy powers or after the date of an armistice
15 between the United States and the principal enemy powers,
16 this appropriation shall cease to be available for obligations
17 unless Congress shall otherwise provide by law.

18 *No part of the appropriations herein made to the Civil*
19 *Service Commission shall be available for the salaries and*
20 *expenses of the Legal Examining Unit in the Examining*
21 *and Personnel Utilization Division of the Commission,*
22 *established pursuant to Executive Order Numbered 9358 of*
23 *July 1, 1943.*

1 CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

2 For financing of the liability of the United States,
3 created by the Act entitled "An Act for the retirement of
4 employees in the classified civil service, and for other pur-
5 poses", approved May 22, 1920, and Acts amendatory
6 thereof (38 U. S. C. 11), \$194,500,000, which amount shall
7 be placed to the credit of the "civil-service retirement and
8 disability fund".

9 CANAL ZONE RETIREMENT AND DISABILITY FUND

10 For financing of the liability of the United States,
11 created by the Act entitled "An Act for the retirement of
12 employees of the Panama Canal and the Panama Railroad
13 Company, on the Isthmus of Panama, who are citizens of the
14 United States", approved March 2, 1931, and Acts
15 amendatory thereof (48 U. S. C. 1371n), \$1,177,000,
16 which amount shall be placed to the credit of the "Canal
17 Zone retirement and disability fund".

18 ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

19 For financing of the liability of the United States created
20 by the Act entitled "An Act for the retirement of employees
21 of the Alaska Railroad, Territory of Alaska, who are citizens
22 of the United States", approved June 29, 1936 (49 Stat.
23 2017), \$175,000, which amount shall be placed to the
24 credit of the "Alaska Railroad retirement and disability
25 fund."

1 FEDERAL COMMUNICATIONS COMMISSION

2 Salaries and expenses: For salaries and expenses of the
3 Federal Communications Commission in performing the
4 duties imposed by the Communications Act of 1934, ap-
5 proved June 19, 1934 (48 Stat. 1064), the Ship Act of
6 1910, approved June 24, 1910, as amended (46 U. S. C.
7 484-487), the International Radiotelegraphic Convention
8 (45 Stat., pt. 2, p. 2760), Executive Order Numbered
9 3513, dated July 9, 1921, as amended under date of June
10 30, 1934, relating to applications for submarine cable li-
11 censes, and the radiotelegraphy provisions of the Conven-
12 tion for Promoting Safety of Life at Sea, ratified by the
13 President July 7, 1936, including personal services, con-
14 tract stenographic reporting services, rental of quarters,
15 newspapers, periodicals, reference books, lawbooks, special
16 counsel fees, supplies and equipment, improvement and care
17 of grounds and repairs to buildings (not to exceed \$5,000),
18 ~~purchase (not to exceed seven)~~, maintenance, operation,
19 and repair of motor-propelled passenger-carrying vehicles
20 for official use in the field, travel expenses *not to exceed*
21 *\$39,000*, including not exceeding \$1,000 for expenses of
22 attendance at meetings which in the discretion of the Com-
23 mission are necessary for the efficient discharge of its re-
24 sponsibilities, reimbursement to ships of the United States
25 for charges incurred by such ships in transmitting infor-

1 mation in compliance with section 357 of the Communica-
2 tions Act of 1934, as amended, ~~\$2,209,000~~ \$2,000,000,
3 of which amount not to exceed \$1,341,000 may be expended
4 for personal services in the District of Columbia, including
5 compensation of employees of the Interdepartment Radio
6 Advisory Committee.

7 Printing and binding: For printing and binding for
8 the Federal Communications Commission, \$16,700.

9 Salaries and expenses, national defense: For all ex-
10 penses necessary to enable the Federal Communications Com-
11 mission, without regard to section 3709 of the Revised
12 Statutes, to perform its functions related to national defense,
13 including radio monitoring and foreign broadcast analysis,
14 including all of the items of expenditure for which the ap-
15 propriation "Salaries and expenses, Federal Communications
16 Commission", is available and not to exceed \$9,000 for salary
17 of Director of the Foreign Broadcast Intelligence Service;
18 ~~not to exceed twenty passenger-carrying automobiles; not~~
19 to exceed \$40,000 for the temporary employment
20 of persons or organizations, by contract or otherwise,
21 without regard to the civil service and classification laws
22 and, in the case of language or other experts, without regard
23 to any requirements of this Act with respect to citizenship,
24 where citizens qualified to perform such work are not avail-
25 able; and not to exceed \$24,200 for printing and binding,

1 ~~\$4,491,143~~ \$4,191,143: *Provided*, That upon the expi-
 2 ration of sixty days after the cessation of hostilities between
 3 the United States and the principal enemy powers or after
 4 the date of an armistice between the United States and the
 5 principal enemy powers, this appropriation shall cease to
 6 be available for obligations unless Congress shall otherwise
 7 provide by law.

8 FEDERAL POWER COMMISSION

9 SALARIES AND EXPENSES

10 For all expenses necessary for the work of the Federal
 11 Power Commission as authorized by law except for the work
 12 authorized by the Act of June 28, 1938, authorizing the
 13 construction of certain public works on rivers and harbors
 14 for flood control, and for other purposes (33 U. S. C.
 15 701a), including traveling expenses; expenses of attendance
 16 at meetings which in the discretion of the Commission are
 17 necessary for the efficient discharge of its responsibilities;
 18 contract stenographic reporting services; ~~purchase (not to~~
 19 ~~exceed \$3,000)~~; hire, maintenance, repair, and operation
 20 of motor-propelled passenger-carrying vehicles, including not
 21 more than one such vehicle for general administrative use
 22 in the District of Columbia; and not exceeding \$5,000 for
 23 purchase and exchange of lawbooks, books of reference,
 24 newspapers, and periodicals, ~~\$2,000,000~~ \$1,997,000; of
 25 which amount not to exceed \$1,175,000 shall be available

1 for personal services in the District of Columbia exclusive
2 of not to exceed \$10,000, which may be expended for con-
3 sultants and special counsel.

4 Flood-control surveys: For all expenses necessary for
5 the work of the Federal Power Commission as authorized
6 by the provisions of the Act of June 28, 1938 (52 Stat.
7 1215), including travel expenses; contract stenographic re-
8 porting services; \$144,500, of which amount not to exceed
9 \$95,000 shall be available for personal services in the Dis-
10 trict of Columbia.

11 National defense activities: For all necessary expenses
12 (except printing and binding) to enable the Federal Power
13 Commission to perform additional activities in connection
14 with the national security and defense, including activities
15 under the provisions of the Federal Power Act, activities
16 under Executive Order Numbered 9165 dated May 19,
17 1942, and activities for the protection of the electric power
18 supply against hostile acts, such expenses to include all items
19 of expenditure for which the appropriations under the head-
20 ing "Salaries and expenses, Federal Power Commission",
21 are available, \$600,000: *Provided*, That the Commission
22 may make expenditures in addition to the foregoing, for
23 duties connected with the national security and defense,
24 from other appropriations available to it: *Provided*, That
25 upon the expiration of sixty days after the cessation of hos-

1 tilities between the United States and the principal enemy
 2 powers or after the date of an armistice between the United
 3 States and the principal enemy powers, this appropriation
 4 shall cease to be available for obligations unless Congress
 5 shall otherwise provide by law.

6 For all printing and binding for the Federal Power
 7 Commission, including engraving, lithographing, and photo-
 8 lithographing, ~~\$30,000~~ \$25,000.

9 FEDERAL TRADE COMMISSION

10 For salaries and expenses of the Federal Trade Com-
 11 mission, including personal services in the District of Colum-
 12 bia; contract stenographic reporting services; supplies and
 13 equipment, lawbooks, books of reference, periodicals, garage
 14 rentals; traveling expenses, including not to exceed \$900
 15 for expenses of attendance, when specifically authorized by
 16 the Commission, at meetings concerned with the work of
 17 the Federal Trade Commission; newspapers not to exceed
 18 \$500, foreign postage, and witness fees and mileage in
 19 accordance with section 9 of the Federal Trade Commission
 20 Act; ~~\$2,011,070~~ \$1,978,707: *Provided*, That no part of the
 21 funds appropriated herein for the Federal Trade Commission
 22 shall be expended upon any investigation hereafter provided
 23 by concurrent resolution of the Congress until funds are
 24 appropriated subsequently to the enactment of such resolution
 25 to finance the cost of such investigation.

1 For all printing and binding for the Federal Trade
2 Commission, ~~\$48,900~~ \$43,000.

3 FEDERAL WORKS AGENCY

4 OFFICE OF THE ADMINISTRATOR

5 Salaries and expenses: For salaries and expenses in the
6 Office of the Administrator in the District of Columbia, in-
7 cluding the salary of a general counsel at \$10,000 per an-
8 num; printing and binding (not to exceed \$4,000); actual
9 transportation and other expenses and not to exceed \$10
10 per diem in lieu of subsistence to persons serving, while away
11 from their homes without other compensation from the
12 United States, in an advisory capacity to the Administrator;
13 purchase (including exchange) of lawbooks and other books
14 of reference, purchase of newspapers and periodicals (not to
15 exceed \$150); preparation, shipment, and installation of
16 photographic displays, exhibits, and other descriptive ma-
17 terials; travel expenses; not to exceed \$1,500 for expenses
18 of attendance, when specifically authorized by the Adminis-
19 trator, at meetings or conventions relating to the work of the
20 Agency; not to exceed \$4,000 for the temporary employ-
21 ment of persons or organizations by contract or otherwise,
22 for special services determined by the Administrator to be
23 necessary, without regard to section 3709 of the Revised
24 Statutes, and civil service and classification laws, \$331,752:
25 *Provided*, That the Federal Works Administrator may, under

1 such rules and regulations as he shall prescribe, authorize
2 the Commissioner of Public Roads and the Commissioner
3 of Public Buildings to make appointments of personnel for
4 such administrations.

5 PUBLIC BUILDINGS ADMINISTRATION

6 For carrying into effect the provisions of the Public
7 Buildings Acts, as provided in section 6 of the Act of May
8 30, 1908 (31 U. S. C. 683), and for the repair, preserva-
9 tion, and upkeep of all completed public buildings under the
10 control of the Federal Works Agency, the mechanical
11 equipment and the grounds thereof, and sites acquired for
12 buildings, and for the operation of certain completed and
13 occupied buildings under the control of the Federal Works
14 Agency, including furniture and repairs thereof, but ex-
15 clusive, with respect to operation, of buildings of the United
16 States Coast Guard, of hospitals, quarantine stations, and
17 other Public Health Service buildings, mints, bullion depos-
18 itories, and assay offices, and buildings operated by the
19 Treasury and Post Office Departments in the District of
20 Columbia:

21 General administrative expenses: For architectural,
22 engineering, mechanical, administrative, clerical, and other
23 personal services; traveling expenses, printing and binding
24 (not to exceed \$17,000), advertising, testing instru-

1 ments, lawbooks, books of reference, periodicals, and such
2 other contingencies, articles, services, equipment, or sup-
3 plies as the Commissioner of Public Buildings may deem
4 necessary in connection with any of the work of the Public
5 Buildings Administration; ground rent of the Federal build-
6 ings at Salamanca, New York, and Columbus, Mississippi,
7 for which payment may be made in advance; \$1,350,000,
8 of which not to exceed \$750,725 may be expended for
9 personal services in the District of Columbia and not to
10 exceed \$456,275 for personal services in the field: *Provided*,
11 That the foregoing appropriations shall not be available for
12 the cost of surveys, plaster models, progress photographs,
13 test pits and borings, or mill and shop inspections, but the
14 cost thereof shall be construed to be chargeable against the
15 construction appropriations of the respective projects to which
16 they relate.

17 Repair, preservation, and equipment, outside the Dis-
18 trict of Columbia: For repairs, alterations, improvement,
19 and preservation, including personal services employed there-
20 for, of completed Federal buildings, the grounds and ap-
21 proaches thereof, wharves, and piers, together with the
22 necessary dredging adjacent thereto, and care and safe-
23 guarding, not otherwise provided for, of sites acquired for
24 Federal buildings, including tools and materials for the use
25 of the custodial and mechanical force, wire partitions and

1 insect screens, installation and repair of mechanical equip-
2 ment, gas, and electric-light fixtures, conduits, wiring, plat-
3 form scales, and tower clocks; vaults and lockbox equipment
4 in all buildings completed and occupied, and for necessary
5 safe equipments in buildings under the administration of the
6 Federal Works Agency, including repairs thereto, and
7 changes in, maintenance of, and repairs to the pneumatic-
8 tube system in New York City installed under franchise of
9 the city of New York, approved June 29, 1909, and June
10 11, 1928, and the payment of any obligations arising there-
11 under in accordance with the provisions of the Acts approved
12 August 5, 1909 (36 Stat. 120), and May 15, 1928 (45
13 Stat. 533), ~~\$3,000,000~~ \$2,000,000: *Provided*, That the
14 total expenditures for the fiscal year for the repair and
15 preservation of buildings not reserved by the vendors on
16 sites acquired for buildings or the enlargement of buildings
17 and the installation and repair of the mechanical equipment
18 thereof shall not exceed 20 per centum of the annual rental
19 of such buildings.

20 Salaries and expenses, public buildings and grounds in
21 the District of Columbia and adjacent area: For adminis-
22 tration, protection, maintenance, and improvement of public
23 buildings and grounds in the District of Columbia and the
24 area adjacent thereto, maintained and operated by the
25 Public Buildings Administration, including the National

1 Archives Building; repair, preservation, and equipment of
 2 buildings operated by the Treasury and Post Office Depart-
 3 ments in the District of Columbia; rent of buildings; demo-
 4 lition of buildings; expenses incident to moving various
 5 executive departments and establishments in connection with
 6 the assignment, allocation, transfer, and survey of building
 7 space; traveling expenses and carfare; leather and rubber
 8 articles and gas masks for the protection of public property
 9 and employees; furnishings and equipment; arms and ammu-
 10 nition for the guard force; purchase, repair, and cleaning
 11 of uniforms for guards and elevator conductors; ~~and the pur-~~
 12 ~~chase of two motor-propelled passenger-carrying vehicles;~~
 13 \$29,532,400 \$29,530,800: *Provided*, That where quarters
 14 or maintenance or other services are furnished on a reim-
 15 bursable basis to any governmental activity, such activity
 16 shall make payment therefor promptly by check upon the
 17 written request of the Commissioner of Public Buildings,
 18 either in advance or after the service has been furnished, for
 19 deposit to the credit of this appropriation, of all or part of the
 20 estimated or actual cost thereof, as the case may be, and
 21 proper adjustment upon the basis of the actual cost shall be
 22 made for services paid for in advance.

23 Salaries and expenses, public buildings and grounds
 24 outside the District of Columbia: For operation, protection,
 25 and maintenance, including cleaning, heating, lighting, rental of

1 buildings and equipment, supplies, materials, furnishings and
2 equipment, personal services, arms, ammunition, leather and
3 rubber articles, and gas masks for the protection of pub-
4 lic property and employees, ~~purchase, repair, and clean-~~
5 ~~ing of uniforms for guards and elevator conductors, the~~
6 ~~purchase of one motor-propelled passenger-carrying vehicle,~~
7 and every expenditure requisite for and incidental to
8 such maintenance and operation of public buildings and
9 grounds outside of the District of Columbia maintained
10 and operated by the Public Buildings Administration,
11 ~~\$10,581,000~~ \$9,581,000: *Provided*, That all furniture
12 now owned by the United States in other public build-
13 ings or in buildings rented by the United States shall
14 be used, so far as practicable, whether or not it corresponds
15 with the present regulation plan for furniture: *Provided*
16 *further*, That this appropriation shall be available for con-
17 tracts for telephone switchboards or equivalent telephone-
18 switching equipment jointly serving in each case two or
19 more governmental activities in buildings operated by the
20 Public Buildings Administration where it is found that joint
21 service is economical and in the interests of the Govern-
22 ment, and any Government activity receiving such service
23 shall pay promptly by check upon the written request of
24 the Commissioner of Public Buildings, either in advance or
25 after the service has been furnished, for deposit to the

1 credit of this appropriation, all or part of the estimated or
2 actual cost thereof, as the case may be, and proper adjust-
3 ment upon the basis of the actual cost shall be made for
4 service paid for in advance.

5 Under the appropriations for salaries and expenses,
6 public buildings and grounds in and outside the District of
7 Columbia, per diem employees may be paid at rates ap-
8 proved by the Commissioner of Public Buildings, not exceed-
9 ing current rates for similar services in the place where such
10 services are employed, and such employees in emergencies
11 may be entered on duty subject to confirmation by the
12 Federal Works Administrator.

13 In the prosecution of construction projects or planning
14 programs assigned to the Public Buildings Administration
15 for which funds are provided by direct appropriation or
16 transferred under authority contained in section 35 of the
17 Act of June 15, 1938 (40 U. S. C. 265), an amount ad-
18 ministratively determined as necessary for the payment of
19 salaries and expenses of personnel engaged upon the prep-
20 aration of plans and specifications, field supervision, and
21 general office expense, may be transferred and consolidated
22 on the books of the Treasury Department into a special
23 account for direct expenditure in the prosecution of said
24 work, such expenditures to be subsequently allocated and

1 reported upon by projects in accordance with procedures
2 prescribed by the General Accounting Office.

3 PUBLIC ROADS ADMINISTRATION

4 General administrative expenses: For the employment of
5 persons and means, including rent, advertising (including
6 advertising in the city of Washington for work to be per-
7 formed in areas adjacent thereto), printing and binding (not
8 to exceed \$27,000), purchase (including exchange) of law-
9 books, books of reference and periodicals, and the prepara-
10 tion, distribution, and display of exhibits, in the city of Wash-
11 ington and elsewhere for the purpose of conducting research
12 and investigational studies, either independently or in co-
13 operation with State highway departments, or other agencies,
14 including studies of highway administration, legislation, fi-
15 nance, economics, transport, construction, operation, main-
16 tenance, utilization, and safety, and of street and highway
17 traffic control; investigations and experiments in the best
18 methods of road making, especially by the use of local mate-
19 rials; and studies of types of mechanical plants and appliances
20 used for road building and maintenance, and of methods of
21 road repair and maintenance suited to the needs of different
22 localities; for maintenance and repairs of experimental high-
23 ways; for furnishing expert advice on these subjects; for
24 collating, reporting, and illustrating the results of same; and

1 for preparing, publishing, and distributing bulletins and re-
 2 ports; to be paid from any moneys available from the ad-
 3 ministrative funds provided under the Act of July 11, 1916,
 4 as amended (23 U. S. C. 21), or as otherwise provided.

5 FEDERAL-AID HIGHWAY SYSTEM

6 For carrying out the provisions of "An Act to provide
 7 that the United States shall aid the States in the construction
 8 of rural post roads, and for other purposes", as amended
 9 (23 U. S. C. 1-117), to be expended in accordance with
 10 the provisions of said Act, as amended, including not to
 11 exceed \$1,341,850 for departmental personal services in the
 12 District of Columbia, \$40,000,000, to be immediately avail-
 13 able and to remain available until expended, which sum is
 14 composed of \$20,000,000, the remainder of the amount
 15 authorized to be appropriated for the fiscal year 1942 by
 16 section 1 of the Act approved September 5, 1940 (Public
 17 Law 780), and \$20,000,000, a part of the amount author-
 18 ized to be appropriated for the fiscal year 1943 by said
 19 section 1: *Provided*, That none of the money herein
 20 appropriated shall be paid to any State on account of any
 21 project on which convict labor shall be employed, except
 22 this provision shall not apply to convict labor performed by
 23 convicts on parole or probation: ~~*Provided further*, That not~~
 24 ~~to exceed \$55,000 of the funds provided for carrying out~~
 25 the provisions of the Federal Highway Act of November

1 9, 1921 (~~23 U. S. C. 21, 23~~), shall be available for the
2 purchase of motor-propelled passenger-carrying vehicles:
3 *Provided further*, That, during the fiscal year 1945, when-
4 ever performing authorized engineering or other services
5 in connection with the survey, construction, and mainte-
6 nance, or improvement of roads for other Government
7 agencies the charge for such services may include deprecia-
8 tion on engineering and road-building equipment used, and
9 the amounts received on account of such charges shall be
10 credited to the appropriation concerned: *Provided further*,
11 That during the fiscal year 1945 the appropriations for
12 the work of the Public Roads Administration shall be
13 available for meeting the expenses of warehouse maintenance
14 and the procurement, care, and handling of supplies, mate-
15 rials, and equipment stored therein for distribution to projects
16 under the supervision of the Public Roads Administration,
17 and for sale and distribution to other Government activities,
18 the cost of such supplies and materials or the value of such
19 equipment (including the cost of transportation and han-
20 dling) to be reimbursed to appropriations current at the
21 time additional supplies, materials, or equipment are pro-
22 cured, from the appropriation chargeable with the cost or
23 value of such supplies, materials, or equipment: *Provided*
24 *further*, That the appropriations available to the Public

1 Roads Administration may be used in emergency for medi-
2 cal supplies and services and other assistance necessary for
3 the immediate relief of employees engaged on hazardous
4 work under that Administration: *Provided further*, That
5 the appropriations for the work of the Public Roads Admin-
6 istration shall be available for necessary expenses (not ex-
7 ceeding \$9,000) of attendance at meetings and conferences
8 of highway departments, associations, organizations, and
9 other agencies concerned, and (not exceeding \$15,000) for
10 the temporary employment, by contract or otherwise, of
11 technical consultants and experts without regard to section
12 3709 of the Revised Statutes, and civil service and classi-
13 fication laws.

14 INTER-AMERICAN HIGHWAY

15 For all necessary expenses to enable the President to
16 utilize the services of the Public Roads Administration in ful-
17 filling the obligations of the United States under the Con-
18 vention on the Pan-American Highway Between the United
19 States and Other American Republics, signed at Buenos
20 Aires, December 23, 1936, and proclaimed September 16,
21 1937 (51 Stat. 152), for the continuation of cooperation with
22 several governments, members of the Pan American Union
23 in connection with the survey and construction of the Inter-
24 American Highway as provided in public resolution, ap-
25 proved March 4, 1929 (Public Resolution 104), as amended

1 or supplemented, and for performing engineering service in
2 pan-American countries for and upon the request of any
3 agency or governmental corporation of the United States,
4 \$100,000 to be derived from the administrative funds pro-
5 vided under the Act of July 11, 1916, as amended or
6 supplemented (23 U. S. C. 21), or as otherwise provided.

7 For surveys in connection with and the construction of
8 the Inter-American Highway, in accordance with the provi-
9 sions of the Act approved December 26, 1941 (Public
10 Law 375), and necessary expenses incident thereto with-
11 out regard to section 3709, Revised Statutes, ~~including the~~
12 ~~purchase of motor-propelled passenger-carrying vehicles,~~
13 \$2,000,000, to be immediately available and to remain
14 available until expended and in addition thereto the Com-
15 missioner of Public Roads is authorized to enter into con-
16 tracts for this purpose in an amount not exceeding
17 \$6,000,000.

18 FEDERAL-AID SECONDARY OR FEEDER ROADS

19 For secondary or feeder roads, including farm-to-mar-
20 ket roads, rural free delivery mail roads, and public-school
21 bus routes, \$3,000,000, to be immediately available and to
22 remain available until expended, which sum is a part of the
23 amount authorized to be appropriated for the fiscal year
24 1942, by section 2 of the Act approved September 5, 1940
25 (Public Law 780).

STRATEGIC HIGHWAY NETWORK

For carrying out projects to correct critical deficiencies in lines of the strategic network of highways and bridges, in accordance with the provisions of section 4 of the Defense Highway Act of 1941 (23 U. S. C. 104), ~~\$20,000,000~~ \$10,000,000, to be immediately available and to remain available during the continuance of the emergency declared by the President on May 27, 1941.

ACCESS ROADS

For the construction, maintenance, and improvement of access roads and for replacing existing highways and highway connections as described in, and in accordance with the provisions of, sections 6 and 9 of the Defense Highway Act of 1941, as amended by the Act approved July 2, 1942 (23 U. S. C. 106) \$40,000,000, to be immediately available and to remain available during the continuance of the emergency declared by the President on May 27, 1941.

SURVEYS AND PLANS

For advance engineering surveys and plans for future development of the strategic network of highways and bypasses around and extension into and through municipalities and metropolitan areas, in accordance with the provisions of section 9 of the Defense Highway Act of 1941 (23 U. S. C. 109) ~~\$5,000,000~~ \$4,000,000, to be immediately

1 available and to remain available during the continuance
2 of the emergency declared by the President on May 27, 1941.

3 *All funds heretofore appropriated to the Public Roads*
4 *Administration for the construction of roads but impounded*
5 *or withheld from obligation or expenditure by any agency*
6 *or official are hereby released and made available for obliga-*
7 *tion or expenditure for the purposes for which they were*
8 *originally appropriated.*

9 Any of the foregoing appropriations for general or ad-
10 ministrative expenses under the Federal Works Agency shall
11 be available for the maintenance, repair, and operation of
12 motor-propelled passenger-carrying vehicles in the District
13 of Columbia and in the field.

14 FOREIGN-SERVICE PAY ADJUSTMENT

15 Foreign-service pay adjustment, appreciation of foreign
16 currencies: For carrying into effect the provisions of the Act
17 entitled "An Act to authorize annual appropriations to meet
18 losses sustained by officers and employees of the United
19 States in foreign countries due to appreciation of foreign
20 currencies in their relation to the American dollar, and for
21 other purposes", approved March 26, 1934 (5 U. S. C.
22 118c), and for each and every object and purpose specified
23 therein, ~~\$722,390~~ \$640,000.

1 GENERAL ACCOUNTING OFFICE

2 Salaries: For personal services in the District of Co-
3 lumbia and elsewhere, \$37,000,000.

4 Miscellaneous expenses: For all expenses necessary for
5 the work of the General Accounting Office, including travel
6 expenses; procurement and exchange of lawbooks and books
7 of reference, and not to exceed \$100 for periodicals;
8 ~~the purchase of one motor-propelled passenger-carrying~~
9 ~~vehicle;~~ and maintenance, repair, and operation of motor-
10 propelled passenger-carrying vehicles, \$1,200,000
11 \$1,198,600.

12 For all printing and binding for the General Accounting
13 Office, including monthly and annual editions of selected
14 decisions of the Comptroller General of the United States,
15 \$200,000.

16 INTERSTATE COMMERCE COMMISSION

17 SALARIES AND EXPENSES

18 General administrative expenses: For salaries and ex-
19 penses necessary in the execution of laws to regulate com-
20 merce, including one chief counsel, one director of finance,
21 and one director of traffic, at \$10,000 each per annum, field
22 hearings, traveling expenses, and contract stenographic re-
23 porting services \$3,119,000, of which amount not to
24 exceed \$2,797,000 may be expended for personal serv-
25 ices in the District of Columbia, exclusive of special coun-

1 sel, for which the expenditure shall not exceed \$50,000; not
2 exceeding \$5,000 for purchase and exchange of necessary
3 books, reports, newspapers, and periodicals.

4 Regulating accounts: To enable the Interstate Com-
5 merce Commission to enforce compliance with section 20
6 and other sections of the Interstate Commerce Act as
7 amended by the Act approved June 29, 1906, the Trans-
8 portation Act, 1920 (49 U. S. C. 20), and the Transporta-
9 tion Act of 1940, including the employment of necessary
10 special accounting agents or examiners, and traveling
11 expenses, \$473,000, of which amount not to exceed \$130,000
12 may be expended for personal services in the District of
13 Columbia.

14 Safety of employees: To enable the Interstate Commerce
15 Commission to keep informed regarding and to enforce com-
16 pliance with Acts to promote the safety of employees and
17 travelers upon railroads; the Act requiring common car-
18 riers to make reports of accidents and authorizing investi-
19 gations thereof; and to enable the Interstate Commerce
20 Commission to investigate and test appliances intended to
21 promote the safety of railway operation, as authorized by
22 the Joint Resolution approved June 30, 1906 (45 U. S. C.
23 35), and the provision of the Sundry Civil Act approved
24 May 27, 1908 (45 U. S. C. 36, 37), to investigate, test
25 experimentally, and report on the use and need of any

1 appliances or systems intended to promote the safety of
2 railway operation, inspectors, and for traveling expenses,
3 \$604,000, of which amount not to exceed \$102,000 may
4 be expended for personal services in the District of
5 Columbia.

6 Signal safety systems: For all authorized expenditures
7 under section 25 of the Interstate Commerce Act, as amended
8 by the Transportation Act, 1920, the Act of August 26, 1937
9 (49 U. S. C. 26), and the Transportation Act of 1940, with
10 respect to the provision thereof under which carriers by rail-
11 road subject to the Act may be required to install automatic
12 train-stop or train-control devices which comply with speci-
13 fications and requirements prescribed by the Commission,
14 including investigations and tests pertaining to block-signal
15 and train-control systems, as authorized by the Joint Resolu-
16 tion approved June 30, 1906 (45 U. S. C. 35), and includ-
17 ing the employment of the necessary engineers, and for
18 traveling expenses, \$182,000, of which amount not to ex-
19 ceed \$38,000 may be expended for personal services in the
20 District of Columbia.

21 Locomotive inspection: For all authorized expenditures
22 under the provisions of the Act of February 17, 1911, en-
23 titled "An Act to promote the safety of employees and
24 travelers upon railroads by compelling common carriers en-
25 gaged in interstate commerce to equip their locomotives with

1 safe and suitable boilers and appurtenances thereto" (45
2 U. S. C. 22), as amended by the Act of March 4, 1915,
3 extending "the same powers and duties with respect to all
4 parts and appurtenances of the locomotive and tender" (45
5 U. S. C. 30), and amendment of June 7, 1924 (45 U. S.
6 C. 27), providing for the appointment from time to time by
7 the Interstate Commerce Commission of not more than fifteen
8 inspectors in addition to the number authorized in the first
9 paragraph of section 4 of the Act of 1911 (45 U. S. C. 26),
10 and the amendment of June 27, 1930 (45 U. S. C. 24, 26),
11 including such legal, technical, stenographic, and clerical help
12 as the business of the offices of the director of locomotive in-
13 spection and his two assistants may require and for traveling
14 expenses, \$548,000, of which amount not to exceed \$81,000
15 may be expended for personal services in the District of
16 Columbia.

17 Valuation of property of carriers: To enable the Inter-
18 state Commerce Commission to carry out the objects of the
19 Act entitled "An Act to amend an Act entitled 'An Act to
20 regulate commerce', approved February 4, 1887, and all
21 Acts amendatory thereof, by providing for a valuation of the
22 several classes of property of carriers subject thereto and se-
23 curing information concerning their stocks, bonds, and other
24 securities", approved March 1, 1913, as amended by the

1 Act of June 7, 1922 (49 U. S. C. 19a), and by the "Emer-
2 gency Railroad Transportation Act, 1933" (49 U. S. C.
3 19a), including traveling expenses, \$500,000.

4 Motor transport regulation: For all authorized expendi-
5 tures necessary to enable the Interstate Commerce Com-
6 mission to carry out the provisions of part II of the Interstate
7 Commerce Act and section 5, part I, of the Interstate
8 Commerce Act insofar as applicable to common carriers
9 subject to part II (Transportation Act of 1940), including
10 one director at \$10,000 per annum and other personal serv-
11 ices in the District of Columbia and elsewhere; traveling
12 expenses; supplies; services and equipment; not to exceed
13 \$1,000 for purchase and exchange of books, reports, news-
14 papers, and periodicals; contract stenographic reporting
15 services; ~~purchase (not to exceed seven)~~; maintenance,
16 repair, and operation of motor-propelled passenger-carry-
17 ing vehicles; not to exceed \$5,000 for the purchase of
18 evidence in connection with investigations of apparent
19 violations of said Act, ~~\$3,260,000~~ \$3,250,000: *Provided,*
20 That Joint Board members may use Government transporta-
21 tion requests when traveling in connection with their duties
22 as Joint Board members.

23 Not to exceed \$2,500 of the appropriations herein made
24 for the Interstate Commerce Commission shall be available

1 for expenses, except membership fees, for attendance at
2 meetings concerned with the work of the Commission.

3 For all printing and binding for the Interstate Commerce
4 Commission, including not to exceed \$17,000 to print and
5 furnish to the States, at cost, blank annual report forms of
6 common carriers, and the receipts from such sales shall be
7 credited to this appropriation, \$157,700.

8 Salaries and expenses, emergency: For necessary
9 expenses, including traveling expenses, to enable the Inter-
10 state Commerce Commission, for the purpose of promoting
11 the national security and defense, to adopt measures for
12 preventing shortages of railroad equipment and congestion
13 of traffic, and expediting the movement of cars by railroads
14 through terminals, and related activities, \$338,000.

15 NATIONAL ADVISORY COMMITTEE FOR
16 AERONAUTICS

17 For necessary salaries and expenses of the National Ad-
18 visory Committee for Aeronautics, including contracts for
19 personal services in the making of special investigations and
20 reports; traveling expenses of members and employees, in-
21 cluding not to exceed \$2,500 for attendance upon meetings
22 of technical and professional societies; periodicals and books
23 of reference; equipment, maintenance, and operation of the
24 Langley Memorial Aeronautical Laboratory, the Ames Aero-

1 nautical Laboratory, and the aircraft engine research labor-
 2 atory at Cleveland, Ohio; purchase and maintenance of
 3 cafeteria equipment; ~~purchase~~, maintenance, and operation
 4 of motor-propelled passenger-carrying vehicles; not to ex-
 5 ceed \$383,400 for personal services in the District of Co-
 6 lumbia, including one Director of Aeronautical Research at
 7 not to exceed \$10,000 per annum; and not to exceed \$2,500
 8 for temporary employment of consultants, at not to exceed
 9 \$50 per diem, by contract or otherwise, without regard to the
 10 civil-service and classification laws; in all, ~~\$23,220,130~~
 11 ~~\$23,218,830~~.

12 For all printing and binding for the National Advisory
 13 Committee for Aeronautics, including all of its offices, labo-
 14 ratories, and services located in Washington, District of
 15 Columbia, and elsewhere, \$15,000.

16 NATIONAL ARCHIVES

17 Salaries and expenses: For salaries and expenses of
 18 the Archivist and The National Archives; including personal
 19 services in the District of Columbia; scientific, technical,
 20 first-aid, protective, and other apparatus and materials for
 21 the arrangement, titling, scoring, repair, processing, editing,
 22 duplication, reproduction, and authentication of photographic
 23 and other records (including motion-picture and other films
 24 and sound recordings) in the custody of the Archivist; pur-
 25 chase and exchange of books, including lawbooks, books

1 of reference, maps, and charts; contract stenographic report-
 2 ing services; purchase of newspapers and periodicals; not
 3 to exceed \$100 for payment in advance when authorized
 4 by the Archivist for library membership in societies whose
 5 publications are available to members only or to members
 6 at a price lower than to the general public; travel expenses;
 7 exchange of scientific and technical apparatus; and mainte-
 8 nance, operation, and repair of one passenger-carrying
 9 motor vehicle, ~~\$1,042,340~~ \$1,084,000.

10 Printing and binding: For all printing and binding,
 11 \$7,000.

12 NATIONAL CAPITAL HOUSING AUTHORITY

13 For the maintenance and operation of properties under
 14 title I of the District of Columbia Alley Dwelling Authority
 15 Act, \$16,000: *Provided*, That all receipts derived from sales,
 16 leases, or other sources shall be covered into the Treasury
 17 of the United States monthly.

18 NATIONAL HOUSING AGENCY

19 OFFICE OF THE ADMINISTRATOR

20 Salaries and expenses: In addition to the amounts other-
 21 wise available (which amounts shall be transferred to this
 22 authorization for expenditure hereunder) for the adminis-
 23 trative expenses of the Office of the Administrator, National
 24 Housing Agency, in carrying out the provisions of the Act
 25 of October 14, 1940, as amended (42 U. S. C. 1521),

1 such amounts, not exceeding \$500,000, as the Adminis-
2 trator determines are required for the expenses of the
3 Office of the Administrator, National Housing Agency,
4 in the performance of administrative and supervisory services
5 relating to the constituent units of said Agency shall be
6 transferred, from the funds available for the administrative
7 expenses of such constituent units for the fiscal year
8 1945, to this authorization for expenditure hereunder and
9 shall be available until June 30, 1945, for all necessary
10 expenses of said Office of the Administrator, including per-
11 sonal services and rent in the District of Columbia; print-
12 ing and binding; purchase and exchange of lawbooks, books
13 of reference; periodicals and newspapers (not to exceed
14 \$500); preparation, mounting, shipping, and installation
15 of exhibits (not to exceed \$500); maintenance, repair, and
16 operation of motor-propelled passenger-carrying vehicles;
17 not to exceed \$5,000 for temporary employment of persons
18 or organizations, by contract or otherwise, for legal or other
19 special services without regard to section 3709 of the
20 Revised Statutes and the civil service and classification
21 laws; payment, when specifically authorized by the Ad-
22 ministrator, of (1) actual transportation and other neces-
23 sary expenses and not to exceed \$10 per diem in lieu
24 of subsistence to persons serving, while away from their
25 homes, without other compensation from the United States,

1 in an advisory capacity to the Agency and (2) not to
2 exceed \$1,500 for expenses of attendance at meetings of
3 organizations concerned with the work of the Agency when
4 specifically authorized by the Administrator; reimbursement
5 for the actual cost of ferry fares and bridge, road, and tunnel
6 tolls, and an allowance not to exceed 3 cents per mile for
7 all travel performed in privately owned automobiles by
8 employees engaged in the inspection of property within
9 the limits of their official posts of duty when such travel
10 is performed in connection with such inspection: *Provided*,
11 That notwithstanding the consolidation effected by Executive
12 Order 9070, section 7 of the First Deficiency Appropriation
13 Act, 1936, shall continue to apply to administrative expenses
14 of and for the constituent units of the National Housing
15 Agency mentioned in said section 7 and shall also apply to
16 such expenses of said National Housing Agency in connec-
17 tion with the functions and purposes of said constituent units,
18 and none of the funds made available by this Act for such
19 administrative expenses shall be obligated or expended unless
20 and until an appropriate appropriation account shall have
21 been established therefor pursuant to an appropriation war-
22 rant or a covering warrant, and all such expenditures shall
23 be accounted for and audited in accordance with the Budget
24 and Accounting Act, as amended: *Provided further*, That
25 the Administrator may, with the approval of the President

1 of the United States, transfer to this authorization or to an
2 authorization of a constituent unit from funds available for
3 administrative expenses of the constituent units or the Office
4 of the Administrator of the National Housing Agency such
5 additional sums as represent a consolidation in the Office of
6 the Administrator or in a constituent unit of any of the
7 administrative functions of the National Housing Agency;
8 but no such transfer of funds shall be made unless the con-
9 solidation will result in a reduction in manpower and a
10 savings in administrative expenses, which savings shall not
11 be used for administrative expenses but instead shall be
12 returned to or remain in the funds from which administrative
13 expenses are drawn under this authorization: *Provided fur-*
14 *ther*, That a report of such transfers and the savings effected
15 thereby shall be submitted to Congress in the annual budget.

16 FEDERAL HOME LOAN BANK ADMINISTRATION

17 Salaries and expenses: Not to exceed a total of
18 \$10,853,825, to be derived from the same sources as the
19 funds made available for administrative expenses of the Fed-
20 eral Home Loan Bank Administration, including the Federal
21 Savings and Loan Insurance Corporation and the Home Own-
22 ers' Loan Corporation, by the Independent Offices Appropri-
23 ation Act, 1944, shall be available during the fiscal year
24 1945 for administrative expenses of the Federal Home Loan

1 Bank Administration (Executive Order Numbered 9070
2 of February 24, 1942), which term and the term
3 Administration, wherever used herein, shall unless otherwise
4 qualified include and apply to said corporations but shall be
5 exclusive of any corporation organized in pursuance of
6 authority contained in the Act of May 16, 1918 (40 Stat.
7 550), and any amendments thereof, including personal serv-
8 ices in the District of Columbia and elsewhere; travel ex-
9 penses, in accordance with the Standardized Government
10 Travel Regulations and the Act of June 3, 1926, as amended
11 (5 U. S. C. 821-833); expenses (not to exceed \$7,500)
12 of attendance at meetings concerned with the work of said
13 Administration when specifically authorized by the Admin-
14 istration; printing and binding; lawbooks, books of reference,
15 and not to exceed \$1,250 for periodicals and newspapers;
16 rent in the District of Columbia; maintenance, repair, and
17 operation of motor-propelled passenger-carrying vehicles;
18 payment, when specifically authorized by the Administration,
19 of actual transportation and other necessary expenses and not
20 to exceed \$10 per diem in lieu of subsistence of persons serv-
21 ing, while away from their homes, without other compensa-
22 tion from the United States, in an advisory capacity to the
23 Administration; use of the services and facilities of the Fed-
24 eral home-loan banks, Federal Reserve banks, and agencies of

1 the Government, including the use of services and facilities
2 within the Administration; the amounts so derived to be
3 credited upon the books of the Treasurer of the United
4 States in such account or accounts as the Administration
5 may determine, and the Administration in its discretion
6 may utilize the facilities of the Division of Disbursement
7 of the Treasury Department for the disbursement of funds
8 in or derived from such account or accounts relating to
9 said corporations: *Provided*, That (1) all necessary ex-
10 penses in connection with the liquidation of insured in-
11 stitutions, (2) all necessary expenses (including services
12 performed on a force account, contract or fee basis, but
13 not including other personal services) in connection with
14 the acquisition, protection, operation, maintenance, improve-
15 ment, or disposition of real or personal property belonging
16 to the Home Owners' Loan Corporation or in which it has
17 an interest, and (3) all necessary expenses (including serv-
18 ices performed on a contract or fee basis, but not including
19 other personal services) in connection with the handling,
20 including the purchase, sale, and exchange, of securities on
21 behalf of Federal home-loan banks, and the sale, issuance,
22 and retirement of, or payment of interest on, debentures or
23 bonds, under the Federal Home Loan Bank Act, as amended,
24 shall be considered as nonadministrative expenses for the
25 purposes hereof: *Provided further*, That except as herein

1 otherwise provided, the administrative expenses and other
2 obligations of the Administration shall be incurred, allowed,
3 and paid in accordance with the provisions of the Federal
4 Home Loan Bank Act of July 22, 1932, as amended (12
5 U. S. C. 1421-1449), the Home Owners' Loan Act of 1933,
6 as amended (12 U. S. C. 1461-1468), and title IV of the
7 National Housing Act of June 27, 1934, as amended (12
8 U. S. C. 1724-1730).

9 FEDERAL HOUSING ADMINISTRATION

10 Salaries and expenses: Not to exceed ~~\$10,484,635~~
11 ~~\$10,184,635~~ of the various funds of the Federal Housing Ad-
12 ministration as follows, (1) the mutual mortgage insurance
13 fund, (2) the housing insurance fund, (3) the account in the
14 Treasury comprised of funds derived from premiums collected
15 under authority of section 2 (f), title I of the National Hous-
16 ing Act, as amended (12 U. S. C. 1701), and (4) the
17 war housing insurance fund shall be available for expendi-
18 ture, in accordance with the provisions of said Act for the
19 administrative expenses of the Federal Housing Admin-
20 istration, including: Personal services in the District of
21 Columbia; travel expenses, in accordance with the Stand-
22 ardized Government Travel Regulations and the Act of
23 June 3, 1926, as amended (5 U. S. C. 821-833), but there
24 may be allowed, in addition to mileage at a rate not to
25 exceed 4 cents per mile for travel by motor vehicle, reim-

1 bursement for the actual cost of ferry fares and bridge,
2 road, and tunnel tolls, and employees engaged in the in-
3 spection of property may be paid an allowance not to
4 exceed 4 cents per mile for all travel performed in pri-
5 vately owned automobiles within the limits of their official
6 posts of duty when such travel is performed in connection
7 with such inspection; printing and binding; lawbooks, books
8 of reference, and not to exceed \$1,500 for periodicals and
9 newspapers; not to exceed \$1,500 for contract actuarial
10 services; maintenance, repair, and operation of two motor-
11 propelled passenger-carrying vehicles; payment, when spe-
12 cifically authorized by the Commissioner, of actual transporta-
13 tion and other necessary expenses and not to exceed \$10 per
14 diem in lieu of subsistence to persons serving, while away
15 from their homes, without other compensation from the
16 United States, in an advisory capacity to the Administration;
17 not to exceed \$2,000 for expenses of attendance, when spe-
18 cifically authorized by the Commissioner, at meetings con-
19 cerned with the work of the Administration; and rent in the
20 District of Columbia: *Provided*, That all necessary expenses
21 of the Administration (including services performed on a con-
22 tract or fee basis, but not including other personal services) in
23 connection with the acquisition, protection, completion,
24 operation, maintenance, improvement, or disposition of real
25 or personal property of the Administration acquired under

1 authority of titles I, II, and VI of said National Housing
2 Act, shall be considered as nonadministrative expenses for
3 the purposes hereof: *Provided further*, That, except as herein
4 otherwise provided, the administrative expenses and other
5 obligations, including nonadministrative expenses, of the
6 Administration shall be incurred, allowed, and paid in ac-
7 cordance with the provisions of said Act of June 27, 1934,
8 as amended (12 U. S. C. 1701).

9 Payment of losses: Not to exceed \$5,000,000 of the
10 funds (after allowance for salaries and expenses as author-
11 ized under the heading, Salaries and expenses, Federal Hous-
12 ing Administration) in the account in the Treasury com-
13 prised of premiums collected under authority of section 2
14 (f), title I, of said Act, shall be available for the payment
15 of losses under insurance granted under section 2 and sec-
16 tion 6, title I, of said Act.

17 FEDERAL PUBLIC HOUSING AUTHORITY

18 Salaries and expenses: In addition to the amounts avail-
19 able (which shall be transferred to this authorization) for
20 the payment of the administrative expenses of the Federal
21 Public Housing Authority in carrying out the provisions of
22 section 201 of the Act of September 9, 1940 (54 Stat. 872),
23 the Act of October 14, 1940, as amended (42 U. S. C.
24 1521), and the Act of March 1, 1941 (55 Stat. 14), as
25 amended and supplemented, relating to war housing, includ-

1 ing temporary shelter, and in carrying out the provisions
2 of sections 3 of the Acts of June 29, 1936 (40 U. S. C.
3 423 and 433), relating, respectively, to the operation and
4 maintenance of the projects transferred pursuant to Execu-
5 tive Order Numbered 7732 of October 27, 1937, and of the
6 projects transferred pursuant to paragraphs 1 (g) and 6 of
7 Executive Order Numbered 9070 of February 24, 1942,
8 not to exceed ~~\$2,782,440~~ \$2,772,940 of the funds of said
9 Authority derived from its operations under the Act of Sep-
10 tember 1, 1937, as amended (42 U. S. C. 1401), shall be
11 available for all necessary administrative expenses of said
12 Authority, including personal services and rent in the District
13 of Columbia; ~~purchase (not to exceed ten)~~; maintenance,
14 repair, and operation of motor-propelled passenger-carrying
15 vehicles; temporary employment of persons or organizations,
16 by contract or otherwise, for legal or other special services,
17 without regard to section 3709 of the Revised Statutes
18 and the civil-service and classification laws; payment,
19 when specifically authorized by the Commissioner, of (1)
20 the actual transportation and other necessary expenses and
21 not to exceed \$5,000 in connection with payment of \$10
22 per diem in lieu of subsistence to persons serving, while
23 away from their homes and without other compensation
24 from the United States, in an advisory capacity to the
25 Authority and (2) expenses of attendance (not to exceed

1 \$5,000) at meetings or conventions concerned with the work
2 of the Authority; printing and binding; purchase of law-
3 books, books of reference, and periodicals; and photograph-
4 ing equipment.

5 Annual contributions: For the payment of annual contri-
6 butions to public housing agencies in accordance with section
7 10 of the United States Housing Act of 1937, as amended
8 (42 U. S. C. 1410), \$9,500,000, together with the unex-
9 pended balance of the appropriation for this purpose for the
10 fiscal year 1944: *Provided*, That except for payments re-
11 quired on contracts entered into prior to April 18, 1940,
12 no part of this appropriation shall be available for payment
13 to any public-housing agency for expenditure in connection
14 with any low-rent housing project, unless the public-housing
15 agency shall have adopted regulations prohibiting as a tenant
16 of any such project by rental or occupancy any person other
17 than a citizen of the United States.

18 SECURITIES AND EXCHANGE COMMISSION

19 For salaries and expenses, including personal services
20 in the District of Columbia, of the Securities and Exchange
21 Commission in performing the duties imposed by law or in
22 pursuance of law, including employment of experts when
23 necessary; contract stenographic reporting services; purchase
24 and exchange of lawbooks, books of reference, directories,
25 and periodicals; not to exceed \$1,000 for the purchase of

1 newspapers; travel expenses, including the expense of at-
 2 tendance, when specifically authorized by the Commission,
 3 at meetings concerned with the work of the Securities and
 4 Exchange Commission; garage rental; foreign postage; mile-
 5 age and witness fees; rental of equipment; operation, main-
 6 tenance, and repair of one motor-propelled passenger-carrying
 7 vehicle; and purchase of rubber gloves; \$4,651,704.

8 For all printing and binding for the Securities and Ex-
 9 change Commission, \$45,000.

10 SMITHSONIAN INSTITUTION

11 Salaries and expenses: For all salaries and expenses
 12 necessary for continuing preservation, exhibition, and in-
 13 crease of collections from the surveying and exploring expe-
 14 ditions of the Government and from other sources; for the
 15 system of international exchanges between the United States
 16 and foreign countries; for continuing ethnological researches
 17 among the American Indians and the natives of Hawaii and
 18 the excavation and preservation of archeological remains:
 19 for maintenance of the Astrophysical Observatory, including
 20 assistants, and making necessary observations in high alti-
 21 tudes; and for the administration of the National Collection
 22 of Fine Arts; including personal services in the District of
 23 Columbia; traveling expenses, including not exceeding
 24 \$2,500 for expenses of attendance at meetings concerned
 25 with the work of the Institution when specifically author-

1 ized by the Secretary of the Smithsonian Institution; print-
2 ing and binding, not exceeding \$88,500, of which not to
3 exceed \$12,000 shall be available for printing the report
4 of the American Historical Association; purchase, repair, and
5 cleaning of uniforms for guards and elevator conductors;
6 repairs and alterations of buildings and approaches; not
7 exceeding \$5,500 for preparation of manuscripts, drawings,
8 and illustrations for publications; and not exceeding \$6,500
9 for purchase of books, pamphlets, and periodicals,
10 \$1,224,090.

11 Salaries and expenses, National Gallery of Art: For the
12 upkeep and operation of the National Gallery of Art, the
13 protection and care of the works of art therein, and all ad-
14 ministrative expenses incident thereto, as authorized by the
15 Act of March 24, 1937 (50 Stat. 51), as amended by the
16 Public Resolution of April 13, 1939 (Public Resolution
17 Numbered 9, Seventy-sixth Congress), including personal
18 services in the District of Columbia (except as otherwise
19 provided in sec. 4 (c) of such Act); traveling expenses,
20 including not exceeding \$1,000 for expenses of attendance
21 at meetings concerned with the work of the National Gal-
22 lery of Art when specifically authorized by the treasurer of
23 the gallery; periodicals, newspapers, lawbooks (not to exceed
24 \$150), and books of reference; not to exceed \$250 for pay-
25 ment in advance when authorized by the treasurer of the

1 gallery for membership in library, museum, and art asso-
2 ciations or societies whose publications or services are avail-
3 able to members only, or to members at a price lower than
4 to the general public; purchase, repair, and cleaning of
5 uniforms for guards and elevator operators; leather and
6 rubber articles and gas masks for the protection of public
7 property and employees; not to exceed \$5,000 for printing
8 and binding; maintenance, repair, and operation of one
9 passenger-carrying automobile; purchase or rental of devices
10 and services for protecting buildings and contents thereof;
11 and maintenance and repair of buildings, approaches, and
12 grounds, \$634,000: *Provided*, That section 3709 of the
13 Revised Statutes, or the Classification Act of 1923, as
14 amended, shall not apply to the restoration and repair of
15 works of art for the National Gallery of Art, the cost of
16 which shall not exceed \$15,000.

17 TARIFF COMMISSION

18 For salaries and expenses of the Tariff Commission, in-
19 cluding personal services in the District of Columbia and
20 elsewhere, traveling expenses not to exceed \$16,200,
21 purchase and exchange of lawbooks, books of reference,
22 gloves and other protective equipment for photostat and
23 other machine operators, subscriptions to newspapers and
24 periodicals not to exceed \$2,250, and contract stenographic
25 reporting services, as authorized by sections 330 to 341 of

1 the Tariff Act of 1930 (19 U. S. C. 1330-1341), ~~\$930,000~~
 2 ~~\$980,000~~, of which amount not to exceed \$2,500 may be ex-
 3 pended for attendance at meetings concerned with subjects
 4 under investigation by the Commission: *Provided*, That no
 5 part of this appropriation shall be used to pay the salary of
 6 any member of the Tariff Commission who shall hereafter
 7 participate in any proceedings under sections 336, 337, and
 8 338 of the Tariff Act of 1930, wherein he or any member of
 9 his family has any special, direct, and pecuniary interest, or
 10 in which he has acted as attorney or special representative.

11 For all printing and binding for the Tariff Commission,
 12 \$10,000.

13 TENNESSEE VALLEY AUTHORITY

14 For the purpose of carrying out the provisions of "The
 15 Tennessee Valley Authority Act of 1933", as amended (16
 16 U. S. C., ch. 12A), including the continued construction of
 17 Kentucky Dam at Gilbertsville, Kentucky; ~~Watts Bar steam~~
 18 ~~plant; Fort Loudoun Dam (including an extension to bring~~
 19 ~~the waters of the Little Tennessee River within the pool of~~
 20 ~~this project);~~ Fontana Dam; South Holston Dam; Watauga
 21 Dam; ~~an additional unit at the Sheffield steam plant;~~ and a
 22 fertilizer and elemental phosphorus manufacturing plant at
 23 or near Mobile, Alabama; and the acquisition of necessary
 24 land, the clearing of such land, *and* relocation of highways,
 25 *within authorized projects*, and the construction or purchase

1 (not exceeding \$600,000) of transmission lines and other
 2 facilities authorized by the Tennessee Valley Authority Act
 3 of 1933, as amended, and all other necessary works author-
 4 ized by such Act, and for printing and binding, lawbooks,
 5 books of reference, newspapers, periodicals, purchase, mainte-
 6 nance, repair, and operation of not more than seven hundred
 7 passenger-carrying vehicles not exceeding \$225,000 (and all
 8 passenger-carrying motor vehicles owned by the Authority in
 9 excess of seven hundred and all aircraft other than those used
 10 for mosquito control work shall be declared surplus and shall
 11 be sold to the highest bidder or bidders), rents in the District of
 12 Columbia and elsewhere, and all necessary salaries and ex-
 13 penses connected with the organization, operation, and inves-
 14 tigation of the Tennessee Valley Authority, and for exami-
 15 nation of estimates of appropriations and activities in the field,
 16 \$76,981,873, to be accounted for as one fund known as the
 17 "Tennessee Valley Authority fund, 1945", to remain avail-
 18 able until June 30, 1945, and to be available for the pay-
 19 ment of obligations chargeable against the "Tennessee Valley
 20 Authority fund, 1944"; and the unexpended balance on
 21 June 30, 1944, in the "Tennessee Valley Authority fund,
 22 1944", and all the receipts of the Tennessee Valley Author-
 23 ity from all sources during the fiscal year 1945 (subject to
 24 the provisions of section 26 of the Tennessee Valley Author-
 25 ity Act of 1933, as amended) and subsequent fiscal years,
 26 shall be covered as and when collected into and accounted

1 for as one fund to be known as the "Tennessee Valley
2 Authority fund 1945", to remain available until June 30,
3 1945, and to be available for the payment of obligations
4 chargeable against the "Tennessee Valley Authority fund,
5 1944": *Provided*, That purchases may be made by the
6 Authority during the fiscal year 1945 without regard to the
7 provisions of section 3709 of the Revised Statutes and
8 section 9 (b) of the Tennessee Valley Authority Act, as
9 amended, when in the judgment of the Board of Directors
10 of the Authority such a procedure will expedite the com-
11 pletion of projects determined by the President to be essen-
12 tial for defense purposes the general fund of the Treasury
13 of the United States: *Provided*, That no part of any appro-
14 priation or fund made available to the Tennessee Valley
15 Authority by this Act or otherwise for the fiscal year 1945
16 or any subsequent fiscal year shall be used (1) for paying
17 for advertisements in newspapers, by radio, or otherwise
18 (except publication of notices required by statute and except
19 in cases of emergency shortage of power); (2) for paying
20 for any expenses in connection with explorations for sources
21 of alumina or other minerals (except such as are necessary
22 for the construction, completion, or operation of any author-
23 ized projects); (3) for buying lands or buildings or building
24 steam plants or building new dams or additions to dams,
25 not authorized by law; (4) for the purchase of passenger-

1 carrying vehicles; (5) for the maintenance, repair, or opera-
2 tion of any passenger-carrying vehicle, unless such vehicle
3 is (a) used only upon official business of the Authority
4 and (b) has painted on each side in white letters not less
5 than two inches high "TVA On Official Business"; (6)
6 for the payment of any claim for damages, or any contested
7 claim, involving a sum of \$10,000 or more, except in pur-
8 suance of an order, decree, or judgment made by a court
9 of competent jurisdiction after a hearing in such court as to
10 the facts relating to such claim; (7) for any political purpose
11 whatsoever, directly or indirectly, or for the purpose of seek-
12 ing to influence public opinion, by means of lectures, adver-
13 tisements, publications, public statements, radio, or otherwise
14 for or against (a) any candidate for public office or (b)
15 any legislation or legislative proposal; (8) for paying any
16 compensation to or expenses of any member or other officer
17 or employee of the Authority who takes an active part in
18 political management or political campaigns or who seeks
19 to influence public opinion, by means of lectures, advertise-
20 ments, publications, public statements, radio, or otherwise,
21 for or against (a) any candidate for public office or (b)
22 any legislation or legislative proposal; (9) for furnishing
23 fertilizer or any components thereof to any person free of
24 charge, or at less than cost, unless such person be selected and
25 approved by the county agent of the county of such person's

1 residence; (10) for paying for any audit or examination
2 of the books or accounts of the Authority by any nongovern-
3 mental accountant or firm, the Comptroller General of the
4 United States being authorized by law to make such audits;
5 (11) for paying any administrative or other expenses in
6 connection with the making of any contract which discrimi-
7 nates unjustly between consumers of the same character of
8 current under similar circumstances; (12) for the establish-
9 ment of or additions to any reserve fund; (13) for paying
10 the salary or compensation at a rate of \$4,500 or more per
11 annum of any officer or employee who shall not be appointed
12 by the President, by and with the advice and consent of the
13 Senate; (14) for the maintenance, repair, or operation of
14 any aircraft other than those used for mosquito-control work;
15 (15) for the maintaining the principal office, principal place
16 of business, or general headquarters of the Authority at any
17 place other than in the immediate vicinity of Muscle Shoals,
18 Alabama; or (16) for paying the compensation of any mem-
19 ber of the board of directors of the Authority, or any officer
20 or employee of the Authority having general supervisory
21 powers over any phase of its activities throughout its area
22 of operations, who does not maintain his principal place of
23 business and office in the immediate vicinity of Muscle Shoals,
24 Alabama.

1 THE TAX COURT OF THE UNITED STATES

2 For necessary expenses of The Tax Court of the United
3 States as authorized by chapter 5 of the Internal Revenue
4 Code, and sections 504 and 510 of the Revenue Act of 1942,
5 including personal services and contract stenographic re-
6 porting services, traveling expenses, carfare, stationery,
7 purchase and exchange of lawbooks and books of reference,
8 and periodicals, \$555,000.

9 For all printing and binding for The Tax Court of the
10 United States, \$32,000.

11 UNITED STATES MARITIME COMMISSION

12 To increase the construction fund established by the
13 Merchant Marine Act, 1936, \$6,766,000,000: *Provided*, That
14 the amount of contract authorizations contained in prior Acts
15 for ship construction and facilities incident thereto is hereby
16 increased by \$5,700,000,000 (toward which \$4,665,390,499
17 is included in the amount appropriated herein) : *Provided*
18 *further*, that during the fiscal year 1945 not to exceed ~~\$30,~~
19 ~~000,000~~ \$39,983,725 shall be available for administrative
20 expenses of the United States Maritime Commission, includ-
21 ing personal services at the seat of government; expenses of
22 attendance (not to exceed \$3,800), when specifically author-
23 ized by the Chairman of the Commission, at meetings con-
24 cerned with the work of the Commission; printing and
25 binding; lawbooks and books of reference; periodicals and

1 newspapers (not to exceed \$6,500) ; teletype services; ~~pur-~~
 2 chase ~~(not to exceed \$16,275)~~, maintenance, repair, and
 3 operation of passenger-carrying automobiles; compensation
 4 as authorized by the Act of August 4, 1939, for officers of
 5 the Army, Navy, Marine Corps, or Coast Guard, detailed to
 6 the Commission; and not to exceed \$469,500 for the em-
 7 ployment by contract or otherwise of persons, firms, or cor-
 8 porations for the performance of legal and other special
 9 services, without regard to section 3709 of the Revised
 10 Statutes or the civil-service and classification laws: *Provided*
 11 *further*, That the amount which may be expended for ad-
 12 ministrative expenses in the fiscal year 1944 is hereby
 13 increased from \$23,000,000 to \$29,130,000.

14 VETERANS' ADMINISTRATION

15 Administration, medical, hospital, and domiciliary serv-
 16 ices: For all salaries and expenses of the Veterans' Ad-
 17 ministration, including the expenses of maintenance and
 18 operation of medical, hospital, and domiciliary services of
 19 the Veterans' Administration, in carrying out the duties,
 20 powers, and functions devolving upon it pursuant to the
 21 authority contained in the Act entitled "An Act to author-
 22 ize the President to consolidate and coordinate governmen-
 23 tal activities affecting war veterans", approved July 3, 1930
 24 (38 U. S. C. 11-11f), and any and all laws for which the
 25 Veterans' Administration is now or may hereafter be charged

1 with administering, ~~\$164,000,000~~ \$163,977,740, of which
2 \$44,940 shall be available for salaries and expenses of the
3 Federal Board of Hospitalization: *Provided*, That not to
4 exceed \$3,500 of this amount shall be available for ex-
5 penses, except membership fees, of employees, detailed by
6 the Administrator of Veterans' Affairs to attend meetings
7 of associations for the promotion of medical science or for the
8 betterment of insurance practices and conventions of organized
9 war veterans: *Provided further*, That this appropriation
10 shall be available also for personal services in the District of
11 Columbia and elsewhere, including traveling expenses;
12 examination of estimates of appropriations in the field, in-
13 cluding actual expenses of subsistence or per diem allowance
14 in lieu thereof; furnishing and laundering of such wearing
15 apparel as may be prescribed for employees in the perform-
16 ance of their official duties; purchase and exchange of law-
17 books, books of reference, periodicals, and newspapers; for
18 passenger-carrying and other motor vehicles, including ~~pur-~~
19 ~~chase~~, maintenance, repair, and operation of same, including
20 not more than two passenger automobiles for general admin-
21 istrative use of the central office in the District of Columbia;
22 and notwithstanding any provisions of law to the contrary,
23 the Administrator is authorized to utilize Government-owned
24 automotive equipment in transporting children of Veterans'
25 Administration employees located at isolated stations to

1 and from school under such limitations as he may by
2 regulation prescribe; and notwithstanding any provisions
3 of law to the contrary, the Administrator is authorized
4 to expend not to exceed \$5,000 of this appropriation for actu-
5 arial services pertaining to the Government life-insurance fund
6 and the National Service Life Insurance Fund, to be obtained
7 by contract, without obtaining competition, at such rates of
8 compensation as he may determine to be reasonable; for allot-
9 ment and transfer to the Federal Security Agency (Public
10 Health Service), the War, Navy, and Interior Depart-
11 ments, for disbursement by them under the various
12 headings of their applicable appropriations, of such amounts
13 as are necessary for the care and treatment of beneficiaries
14 of the Veterans' Administration, including minor repairs
15 and improvements of existing facilities under their juris-
16 diction necessary to such care and treatment; for expenses
17 incidental to the maintenance and operation of farms; for
18 recreational articles and facilities at institutions maintained
19 by the Veterans' Administration; for administrative expenses
20 incidental to securing employment for war veterans; for
21 funeral, burial, and other expenses incidental thereto for
22 beneficiaries of the Veterans' Administration accruing during
23 the year for which this appropriation is made or prior fiscal
24 years: *Provided further*, That the appropriations herein
25 made for the care and maintenance of veterans in hospitals

1 or homes under the jurisdiction of the Veterans' Adminis-
2 tration shall be available for the purchase of tobacco to be
3 furnished, subject to such regulations as the Administrator
4 of Veterans' Affairs shall prescribe, to veterans receiving
5 hospital treatment or domiciliary care in Veterans' Admin-
6 istration hospitals or homes: *Provided further*, That this
7 appropriation shall be available for continuing aid to State
8 or Territorial homes for the support of disabled volunteer
9 soldiers and sailors, in conformity with the Act approved
10 August 27, 1888, (24 U. S. C. 134), as amended, for
11 those veterans eligible for admission to Veterans' Adminis-
12 tration facilities for hospital or domiciliary care: *Provided*
13 *further*, That the Administrator is hereby authorized to
14 employ medical consultants for duty on such terms as he
15 may deem advisable and without regard to the civil service
16 and classification laws: *Provided further*, That this appro-
17 priation shall be available for the purchase directly from
18 sources authorized by the common carriers of printed de-
19 duced fare requests for use by veterans when traveling at
20 their own expense from or to Veterans' Administration facili-
21 ties: *Provided further*, That notwithstanding any limitation
22 in this Act, this appropriation shall be available for the
23 purchase of legal newspapers in an amount not exceeding
24 \$200.

25 No part of this appropriation shall be expended for the

1 purchase of any site for or toward the construction of any
2 new hospital or home, or for the purchase of any hospital
3 or home; and not more than \$2,500,000 of this appropriation
4 may be used to repair, alter, improve, or provide facilities
5 in the several hospitals and homes under the jurisdiction
6 of the Veterans' Administration either by contract or by
7 the hire of temporary employees and the purchase of
8 materials.

9 For printing and binding for the Veterans' Administra-
10 tion, including all its bureaus and functions located in
11 Washington, District of Columbia, and elsewhere, \$450,000.

12 Pensions: For the payment of compensation, pensions,
13 gratuities, and allowances, now authorized under any Act
14 of Congress, or regulation of the President based thereon, or
15 which may hereafter be authorized, including emergency
16 officers' retirement pay and annuities, the administration of
17 which is now or may hereafter be placed in the Veterans'
18 Administration, accruing during the fiscal year for which this
19 appropriation is made or in prior fiscal years, \$558,252,000,
20 to be immediately available.

21 For military and naval insurance accruing during the
22 fiscal year for which this appropriation is made or in prior
23 fiscal years, \$19,794,000.

24 Adjusted-service and dependent pay: For payment of
25 adjusted-service credits of not more than \$50 each and the

1 quarterly installments due to dependents of deceased vet-
2 erans, as provided in the Act of May 19, 1924, as amended
3 (38 U. S. C. 631-632, 661-670), \$40,000, to be imme-
4 diately available and to remain available until expended.

5 Adjusted compensation payments: To enable the Ad-
6 ministrator of Veterans' Affairs to carry out the provisions
7 of the World War Adjusted Compensation Act, 1924 (38
8 U. S. C. 591-683), as amended, and the Adjusted Com-
9 pensation Payment Act, 1936, except section 5 thereof (38
10 U. S. C. 686-688b), \$9,000,000, which amount shall be
11 placed to the credit of the Adjusted Service Certificate Trust
12 Fund, to be immediately available and to remain available
13 until expended.

14 National Service Life Insurance: For transfer to the
15 National Service Life Insurance Fund, in accordance with
16 the provisions of the National Service Life Insurance Act
17 of 1940, on account of payments of benefits in excess of the
18 reserve of the policy in case of death, or for premiums waived
19 in case of total disability, in cases where the death or total
20 disability of the insured shall have been determined by the
21 Administrator of Veterans' Affairs to be the result of disease
22 or injury traceable to the extra hazards of military or naval
23 service, and to reimburse the National Service Life Insur-
24 ance Fund for payments made therefrom when recovery of
25 such payments is waived by the Administrator of Veterans'

1 Affairs under the authority of section 609 (a) of said Act,
2 \$500,000,000, to be immediately available and to remain
3 available until expended.

4 Soldiers' and Sailors' Civil Relief: For payment of claims
5 as authorized by article IV of the Soldiers' and Sailors' Civil
6 Relief Act Amendments of 1942, \$400,000, to be imme-
7 diately and continuously available until expended: *Provided*,
8 That any moneys received under said article IV shall be
9 credited to this appropriation.

10 Hospital and domiciliary facilities: For hospital and
11 domiciliary facilities, \$7,374,500, to remain available until
12 expended: *Provided*, That this amount shall be available
13 for use by the Administrator of Veterans' Affairs, with the
14 approval of the President, for extending any of the facilities
15 under the jurisdiction of the Veterans' Administration or for
16 any of the purposes set forth in sections 1 and 2 of the
17 Act approved March 4, 1931 (38 U. S. C. 438j-k): *Pro-*
18 *vided further*, That not to exceed 3 per centum of this
19 amount shall be available for the employment in the District
20 of Columbia and in the field of necessary technical and
21 clerical assistants to aid in the preparation of plans and specifi-
22 cations for the projects as approved hereunder and in the
23 supervision of the execution thereof, and for traveling ex-
24 penses, field office equipment, and supplies in connection
25 therewith.

1 Total, Veterans' Administration, ~~\$1,259,310,500~~ \$1,259,-
2 288,240: *Provided*, That no part of this appropriation shall
3 be available for hospitalization or examination of any persons
4 except beneficiaries entitled under the laws bestowing such
5 benefits to veterans, unless reimbursement of cost is made to
6 the appropriation at such rates as may be fixed by the Ad-
7 ministrator of Veterans' Affairs.

8 SEC. 102. During the fiscal year ending June 30,
9 1945, the salaries of the Commissioners of the United
10 States Maritime Commission, with the exception of the Chair-
11 man so long as the office is held by the present incumbent,
12 and the Commissioners of the United States Tariff Commis-
13 sion shall be at the rate of \$10,000 each per annum.

14 SEC. 103. No part of any appropriation contained in
15 this Act shall be used to pay the salary or wages of any per-
16 son who advocates, or who is a member of an organization
17 that advocates, the overthrow of the Government of the
18 United States by force or violence: *Provided*, That for the
19 purposes hereof an affidavit shall be considered prima facie
20 evidence that the person making the affidavit does not ad-
21 vocate, and is not a member of an organization that advo-
22 cates, the overthrow of the Government of the United States
23 by force or violence: *Provided further*, That any person who
24 advocates, or who is a member of an organization that ad-
25 vocates, the overthrow of the Government of the United

1 States by force or violence and accepts employment the
2 salary or wages for which are paid from any appropriation
3 contained in this Act shall be guilty of a felony and, upon
4 conviction, shall be fined not more than \$1,000 or im-
5 prisoned for not more than one year, or both: *Provided*
6 *further*, That the above penal clause shall be in addition to,
7 and not in substitution for, any other provisions of existing
8 law.

9 SEC. 104. No part of any appropriation or authoriza-
10 tion in this Act shall be used to pay any part of the salary
11 or expenses of any person whose salary or expenses are pro-
12 hibited from being paid from any appropriation or authori-
13 zation in any other Act; but this prohibition shall be effective
14 only during the period for which such prohibition in such
15 other Act is effective.

16 SEC. 105. Where appropriations in this Act are expend-
17 able for travel expenses and no specific limitation has been
18 placed thereon, the expenditures for travel expenses may not
19 exceed the amount set forth therefor in the budget estimates
20 submitted for the appropriations.

21 SEC. 106. Where appropriations in this Act are ex-
22 pendable for the purchase of newspapers and periodicals
23 and no specific limitation has been placed thereon, the ex-
24 penditures therefor under each such appropriation may not
25 exceed the amount of \$50: *Provided*, That this limitation

1 shall not apply to the purchase of scientific, technical, trade,
2 or traffic periodicals necessary in connection with the per-
3 formance of the authorized functions of the agencies for which
4 funds are herein provided.

5 SEC. 107. If at any time during the fiscal year 1945
6 the termination of the Act entitled "An Act to provide
7 temporary additional compensation for employees in the
8 Postal Service", approved April 9, 1943, or of the Act
9 entitled "An Act to provide for the payment of overtime
10 compensation to Government employees, and for other pur-
11 poses", approved May 7, 1943, shall be fixed by concurrent
12 resolution of the Congress at a date earlier than June 30,
13 1945, the appropriations contained in this Act shall cease
14 to be available on such earlier date for obligation for the
15 purposes of the terminated Act and the unobligated portions
16 of appropriations allocated for the purposes of such termi-
17 nated Act shall not be obligated for any other purposes of
18 the appropriation during the fiscal year 1945.

19 TITLE II—GENERAL PROVISIONS

20 SEC. 201. (a) Appropriations for the fiscal year
21 1945 available for expenses of travel of civilian officers
22 and employees of the executive departments and inde-
23 pendent establishments shall be available also for expenses
24 of travel performed by them on transfer from one official
25 station to another when authorized by the head of the

1 department or establishment concerned in the order direct-
2 ing such transfer: *Provided*, That such expenses shall not
3 be allowed for any transfer effected for the convenience of
4 any officer or employee.

5 (b) Appropriations of the executive departments and
6 independent establishments for the fiscal year 1945 avail-
7 able for the transportation of things shall be available,
8 in accordance with the Act of October 10, 1940 (5 U. S.
9 C. 73c-1), for expenses incurred in the transfer of household
10 goods and effects of civilian officers and employees of such
11 departments and establishments when transferred from one
12 official station to another for permanent duty.

13 SEC. 202. Unless otherwise specifically provided, no
14 appropriation available for the executive departments and
15 independent establishments for the fiscal year 1945 in
16 this Act or any other Act, shall be expended—

17 (a) To purchase any motor-propelled passenger-
18 carrying vehicle (exclusive of busses, ambulances, and sta-
19 tion wagons), at a cost, completely equipped for operation,
20 and including the value of any vehicle exchanged, in excess
21 of such amount as the Secretary of War, in the case of the
22 War Department, the Secretary of the Navy, in the case of
23 the Navy Department, the Commissioners, in case of the
24 government of the District of Columbia, and the Director
25 of the Bureau of the Budget, in the case of other essential

1 governmental needs, may determine necessary to obtain
2 satisfactory motor-propelled passenger-carrying vehicles, but
3 in no event shall the price so paid for any such vehicle ex-
4 ceed the maximum price therefor established by the Office
5 of Price Administration and in no event more than \$1,500,
6 which amount shall be in addition to the amount required
7 for transportation.

8 (b) For the maintenance, operation, and repair of any
9 Government-owned motor-propelled passenger-carrying ve-
10 hicle (1) not used exclusively for official purposes; and "offi-
11 cial purposes" shall not include the transportation of officers
12 and employees between their domiciles and places of em-
13 ployment, except in case of medical officers on out-patient
14 medical services and except in cases of officers and employees
15 engaged in field work the character of whose duties makes
16 such transportation necessary and then only as to such latter
17 cases when the same is approved by the head of the depart-
18 ment or establishment concerned; (2) *unless there shall be*
19 *painted in white letters not less than two inches high on both*
20 *sides of each motor vehicle and trailer owned or leased by the*
21 *United States Government the words "On Official Business",*
22 *and (3) unless there shall also be displayed at all times in a*
23 *conspicuous place a sign designating the particular depart-*
24 *ment, independent establishment, or other Federal agency*
25 *which operates said vehicle. Any officer or employee of the*

1 *Government who uses or authorizes the use of any Govern-*
2 *ment-owned motor-propelled passenger-carrying vehicle, or*
3 *of any motor-propelled passenger-carrying vehicle leased by*
4 *the Government, for other than official purposes or otherwise*
5 *violates the provisions of this subsection shall be summarily*
6 *removed from office, and shall, upon conviction thereof, be*
7 *fined not more than \$1,000 or imprisoned for not more*
8 *than one year, or both. The limitations of this subsection*
9 *(b) shall not apply to any motor vehicles for official use of*
10 *the President, the heads of the executive departments, Am-*
11 *bassadors, Ministers, chargés d'affaires, and other principal*
12 *diplomatic and consular officials and clauses (2) and (3)*
13 *shall not apply to motor vehicles operated by the Federal*
14 *Bureau of Investigation and the Immigration and Naturali-*
15 *zation Service of the Department of Justice and the Secret*
16 *Service of the Treasury Department.*

17 SEC. 203. In purchasing motor-propelled or animal-
18 drawn vehicles or tractors, or road, agricultural, manufactur-
19 ing, or laboratory equipment, or boats, or parts, accesso-
20 ries, tires, or equipment thereof, the head of any executive
21 department or independent establishment or his duly author-
22 ized representative may exchange or sell similiar items and
23 apply the exchange allowances or proceeds of sales in such
24 cases in whole or in part payment therefor.

25 SEC. 204. Section 3709, Revised Statutes (41 U. S.

1 C. 5), shall not apply to any purchase by or service ren-
2 dered to any executive department or independent estab-
3 lishment during the fiscal year 1945 when the aggregate
4 amount involved does not exceed \$100, but this section
5 shall not be construed as affecting any provision of law au-
6 thorizing purchases or services without regard to said section
7 3709 in amounts greater than \$100.

8 SEC. 205. Unless otherwise specified and until July 1,
9 1945, no part of any appropriation contained in this or
10 any other Act shall be used to pay the compensation of any
11 officer or employee of the Government of the United States
12 (including any agency the majority of the stock of which is
13 owned by the Government of the United States) whose
14 post of duty is in continental United States unless such per-
15 son (1) is a citizen of the United States, (2) is a person in
16 the service of the United States on the date of enactment of
17 this Act who, being eligible for citizenship, had filed a de-
18 claration of intention to become a citizen of the United
19 States prior to such date, or (3) is a person who owes al-
20 legiance to the United States: *Provided*, That for the pur-
21 pose of this section, an affidavit signed by any such person
22 shall be considered prima facie evidence that the require-
23 ments of this section with respect to his status have been
24 compiled with: *Provided further*, That any person making
25 a false affidavit shall be guilty of a felony and, upon con-

1 viction, shall be fined not more than \$1,000 or imprisoned
2 for not more than one year, or both: *Provided further*, That
3 the above penal clause shall be in addition to, and not in
4 substitution for, any other provisions of existing law: *Pro-*
5 *vided further*, That any payment made to any officer or em-
6 ployee contrary to the provisions of this section shall be
7 recoverable in action by the Federal Government. This
8 section shall not apply to citizens of the Commonwealth of
9 the Philippines or to nationals of those countries allied with
10 the United States in the prosecution of the war.

11 SEC. 206. Appropriations for the executive departments
12 and independent establishments for the fiscal year 1945
13 available for travel expenses shall be available for the pay-
14 ment of per diem allowances in lieu of subsistence expenses
15 without regard to the Subsistence Expense Act of 1926, as
16 amended (5 U. S. C. 821-833), to civilian officers and em-
17 ployees of such departments and establishments while travel-
18 ing on official business outside the continental limits of the
19 United States and away from their designated posts of duty:
20 *Provided*, That the amount of such allowances shall be deter-
21 mined by the head of the department or independent establish-
22 ment concerned or by such official as he may designate for the
23 purpose, but shall in no case, notwithstanding any other provi-
24 sion of law, exceed the maximum established by regulations
25 prescribed by the President for the locality in which the travel

1 is performed: *Provided further*, That the availability of
2 appropriations of the War and Navy Departments with
3 respect to the foregoing shall not be restricted thereby.

4 SEC. 207. The provision of law prescribing the use
5 of vessels of United States registry by employees of the Gov-
6 ernment traveling overseas (46 U. S. C. 1241) shall not
7 apply to such travel during the fiscal year 1945.

8 SEC. 208. Appropriations of the executive departments
9 and independent establishments for the fiscal year 1945 shall
10 be available for reimbursement at not to exceed 5 cents per
11 mile to personnel serving without compensation from the
12 United States for expenses of travel performed by them in
13 privately owned automobiles away from their designated posts
14 of duty, and not to exceed 3 cents per mile for such travel
15 within the limits of their official stations.

16 SEC. 209. Appropriations of the executive departments
17 and independent establishments for the fiscal year 1945,
18 available for expenses of travel, are hereby made available
19 (1) for allowances for living and quarters in accordance
20 with Standardized Regulations prescribed by the President
21 for civilian officers and employees of the Government tem-
22 porarily stationed in foreign countries, and (2) for living
23 quarters allowances in accordance with the Act of June 26,
24 1930 (5 U. S. C. 118a), and regulations prescribed there-
25 under, and cost of living allowances in accordance with the

1 Act of February 23, 1931, as amended (22 U. S. C. 12),
2 and regulations prescribed thereunder, for all civilian officers
3 and employees of the Government permanently stationed in
4 foreign countries: *Provided*, That the availability of appro-
5 priations of the Departments of War, Navy, and State, except
6 the appropriation Cooperation with the American Republics,
7 for any of the above-mentioned objects shall not be affected
8 hereby.

9 ~~SEC. 210. No part of any appropriation for the fiscal~~
10 ~~year 1945 contained in this or any other Act shall be~~
11 ~~paid to any person for the filling of any position for which~~
12 ~~he or she has been nominated after the Senate has voted not~~
13 ~~to approve of the nomination of said person.~~

14 *SEC. 210. No part of any appropriation available for*
15 *the executive departments and independent establishments*
16 *(including any agency the majority of the stock of which*
17 *is owned by the Government of the United States) for the*
18 *fiscal year 1945 or any subsequent fiscal year contained*
19 *in this or any other Act shall be (1) paid to any person*
20 *for the filling of any position for which he or she has been*
21 *nominated after the Senate has voted not to approve of the*
22 *nomination of said person, or (2) available to pay the salary*
23 *of any person at the rate of \$4,500 per annum or more*
24 *unless such person shall be appointed by the President, by*
25 *and with the advice and consent of the Senate.*

1 SEC. 211. The funds appropriated in the appropriation
2 Acts for the fiscal year 1945 of the services mentioned in
3 the title of the Act of June 16, 1942 (Public Law 607,
4 Seventy-seventh Congress), shall be available for, and the
5 heads of the executive departments concerned are author-
6 ized to prescribe, per diem rates of allowance, at rates
7 not to exceed \$7 per day, in lieu of subsistence to officers
8 traveling on official business and away from their designated
9 posts of duty, and to members of the services concerned
10 (including officers, warrant officers, contract surgeons, en-
11 listed personnel, aviation cadets, and members of the Nurse
12 Corps) when traveling by air under competent orders and
13 on duty without troops.

14 SEC. 212. No part of any appropriation contained in
15 this or any other Act shall be used to pay in excess of \$2
16 per volume for the current and future volumes of the United
17 States Code Annotated or in excess of \$3.25 per volume for
18 the current or future volumes of the Lifetime Federal Digest.

19 *SEC. 213. No part of any appropriation or fund made*
20 *available by this or any other Act shall be allotted or made*
21 *available to, or used to pay the expenses of, any agency or*
22 *instrumentality established by Executive order after such*
23 *agency or instrumentality has been in existence for more than*
24 *one year, if the Congress has not appropriated any money*
25 *specifically for such agency or instrumentality or specifically*

1 authorized the expenditure of funds by it. For the purposes
2 of this section, any agency or instrumentality established by
3 Executive order shall be deemed to have been in existence dur-
4 ing the existence of any other agency or instrumentality,
5 established by a prior Executive order, if the principal func-
6 tions of both of such agencies or instrumentalities are sub-
7 stantially the same or similar. When any agency or instru-
8 mentality is or has been prevented from using appropriations
9 by reason of this section, no part of any appropriation or
10 fund made available by this or any other Act shall be used to
11 pay the expenses of the performance by any other agency
12 or instrumentality of functions which are substantially the
13 same as or similar to the principal functions of the agency
14 or instrumentality so prevented from using appropriations,
15 unless the Congress has specifically authorized the expenditure
16 of funds for performing such functions.

17 SEC. ~~213~~ 214. This Act may be cited as the "Independ-
18 ent Offices Appropriation Act, 1945".

Passed the House of Representatives January 31, 1944.

Attest:

SOUTH TRIMBLE,

Clerk.

78TH CONGRESS
2^D Session

H. R. 4070

[Report No. 730]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

FEBRUARY 1 (legislative day, JANUARY 24), 1944

Read twice and referred to the Committee on
Appropriations

MARCH 9 (legislative day, FEBRUARY 7), 1944

Reported with amendments



line between Baltimore, Md., and Washington, D. C.; and

Whereas the first telegram, "What Hath God Wrought?" was sent over this line from the old Supreme Court room in the Capitol to Baltimore on May 24, 1844; and

Whereas the sending of the first telegram marked the beginning of the telegraph industry, which has been indispensable to the country in four wars and, by linking all sections, has implemented the traditional motto, "E Pluribus Unum"; and

Whereas the telegraph was the first speedy means of communication connecting the nations of the world, bringing all peoples closer together, and promoting the dissemination of ideas as well as international trade; and

Whereas the telegraph was the first great electrical discovery and was the forerunner of our entire system of electrical communications, including the telephone, the radio, and television: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint congressional committee to be composed of five Members of the Senate to be appointed by the President of the Senate, and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. Such committee shall secure an appropriate plaque or other suitable memorial to be placed in or near the room in the Capitol from which the first telegraph message was dispatched, and shall arrange for appropriate exercises, to be held on May 24, 1944, for the purpose of placing such plaque or other memorial and commemorating the centennial of the telegraph. The cost of carrying out the provisions of this concurrent resolution, including the cost of such plaque or other memorial, not to exceed \$4,000, shall be paid one-half from the contingent fund of the House and one-half from the contingent fund of the Senate.

INVESTIGATION OF LABOR SHORTAGE IN THE PACIFIC COAST AND ROCKY MOUNTAIN STATES—LIMIT OF EXPENDITURES

Mr. DOWNEY submitted the following resolution (S. Res. 270), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the limit of expenditures of the Committee on Military Affairs under Senate Resolution 88, Seventy-eighth Congress, agreed to February 25, 1943 (relating to an investigation of the existing shortage of labor in the Pacific Coast and Rocky Mountain States and the effect of such shortage upon the war effort), as supplemented by Senate Resolution 113, Seventy-eighth Congress, agreed to April 7, 1943, is hereby increased by \$2,500.

COST OF PRODUCTION OF CUT DIAMONDS

Mr. PEPPER submitted the following resolution (S. Res. 271), which was referred to the Committee on Finance:

Resolved, That the United States Tariff Commission is hereby directed to investigate, for the purposes of section 336 of the Tariff Act of 1930, the differences in cost of production of cut diamonds produced in the United States and like or similar foreign-produced articles; and, to take adequate steps permitted by law to protect labor standards in the diamond processing industry if its future is thereby found to be menaced.

INCREASED PURCHASING POWER—DESIRABILITY OF THE TOWNSEND PLAN BILL

Mr. PEPPER. Mr. President, America is winning this war on all fronts, thanks to the foresightedness and the judgment of her national leadership. We are heading—rapidly, we hope—into an era of peacetime when our boys and girls will

come home from the fighting fronts to resume their rightful places in our society.

To what sort of society will our boys and girls return? Will it be a society in which factories have closed down for lack of further war orders; in which defense industries close down and hold up reconversion because they can see no market for consumer goods; in which our returning veterans will be compelled to sell apples on street corners for a living? Or will it be to an economy of scarcity—planned for and legislated for in exactly the same way we approached our war problem? For peace and plenty are things that can be planned for and legislated for.

If we act now to provide a constant stream of purchasing power passing through the hands of those laid off by industry, we will assure a market for the goods of business and industry, and will give our defense plants good reason for hurrying their reconversion when that wonderful day of peace arrives.

We can provide a big, growing stream of purchasing power every month to our aged, our incapacitated, our blind, and our chronically ill by passing the Townsend plan bill, House bill 1649. I urge it upon my colleagues for their careful study and consideration.

TRIBUTE TO SENATOR OVERTON—EDITORIAL FROM SHREVEPORT (LA.) TIMES

[Mr. ELLENDER asked and obtained leave to have printed in the Record an editorial entitled "Senator Overton," published in the Shreveport (La.) Times of Tuesday, March 14, which appears in the Appendix.]

WILLIAM F. CODY—BUFFALO BILL

[Mr. ROBERTSON asked and obtained leave to have printed in the Record a radio address delivered by him at Cody, Wyo., on February 26, 1944, on the occasion of the celebration of the anniversary of the birth of William F. Cody which appears in the Appendix.]

ANDREW JACKSON—ARTICLE BY SENATOR HATCH

[Mr. O'MAHONEY asked and obtained leave to have printed in the Record an article on Andrew Jackson, written by Senator Hatch and published in the Washington Evening Star of March 15, 1944, which appears in the Appendix.]

GRADUATION ADDRESS BY VICE ADMIRAL RANDALL JACOBS, UNITED STATES NAVY

[Mr. HILL asked and obtained leave to have printed in the Record the address delivered by Vice Admiral Randall Jacobs, United States Navy, Chief of Naval Personnel, at the graduation and commissioning exercises of the Naval Reserve Officers' Training Corps and V-12 Units at the University of North Carolina, Chapel Hill, February 25, 1944, which appears in the Appendix.]

HEALTH PROVISIONS OF THE WAGNER—MURRAY-DINGELL BILL

[Mr. MURRAY asked and obtained leave to have printed in the Record a series of questions and answers prepared by him dealing with the provisions of the so-called Wagner-Murray-Dingell bill, which appears in the Appendix.]

FOUR FREEDOMS ON THE HOME FRONT

[Mr. BYRD asked and obtained leave to have printed in the Record a letter addressed to United States Senators and Representa-

tives, dated February 22, 1944, from Four Freedoms on the Home Front Committee, which appears in the Appendix.]

WILL THEY VOTE?—EDITORIAL FROM THE NEWARK EVENING NEWS

[Mr. HATCH asked and obtained leave to have printed in the Record an editorial entitled "Will They Vote?" from the Newark Evening News of March 15, 1944, which appears in the Appendix.]

THE FOURTH TERM—DEBATE IN PRINT BETWEEN SENATOR MEAD AND SENATOR BRIDGES

[Mr. BRIDGES asked and obtained leave to have printed in the Record a debate in print between himself and Senator MEAD on the subject Should There Be a Fourth Term? published in Town Meetings in Print, which appears in the Appendix.]

PROTECTION OF CONGRESSIONAL GOVERNMENT

[Mr. BRIDGES asked and obtained leave to have printed in the Record an article from the Detroit Times of March 10 entitled "Bridges Asks Crusade To Protect Our Congressional Government," which appears in the Appendix.]

DEMobilizing THE NEW DEAL—EDITORIAL FROM LOS ANGELES EXAMINER

[Mr. BRIDGES asked and obtained leave to have printed in the Record an editorial entitled "Demobilizing the New Deal," published in the Los Angeles Examiner, which appears in the Appendix.]

CIVILIAN CONTRIBUTION TO THE WAR EFFORT

[Mr. BRIDGES asked and obtained leave to have printed in the Record a resume of the booklet entitled "Bill Bailey Got the Credit, But the Man Behind the Gun Was Mr. Dooley," recently published by the General Cable Corporation in New York, which appears in the Appendix.]

COTTON AND THE FEDERAL GOVERNMENT—ARTICLE BY O. F. BLEDSOE III

[Mr. EASTLAND asked and obtained leave to have printed in the Record an article entitled "Cotton and the Federal Government," by O. F. Bledsoe III, of Greenwood, Miss., which appears in the Appendix.]

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BRIDGES in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Clark, Idaho	Hill
Andrews	Clark, Mo.	Holman
Austin	Connally	Jackson
Bailey	Cordon	Johnson, Colo.
Bankhead	Danaher	Kilgore
Barkley	Davis	La Follette
Bilbo	Downey	Langer
Bone	Eastland	McCarran
Brewster	Ellender	McClellan
Bridges	Ferguson	McFarland
Brooks	George	McKellar
Buck	Gillette	Maloney
Burton	Gurney	Mead
Bushfield	Hatch	Millikin
Byrd	Hawkes	Murray
Capper	Hayden	O'Mahoney

Overton
Pepper
Radcliffe
Revercomb
Reynolds
Robertson
Russell
Shipstead
Stewart

Taft
Thomas, Idaho
Thomas, Okla.
Thomas, Utah
Tobey
Tunnell
Tydings
Vandenberg
Wagner

Walsh, N. J.
Weeks
Wheeler
Wherry
White
Willis
Wilson

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Seventy-three Senators having answered to their names, a quorum is present.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will proceed to state the amendments reported by the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President—Bureau of the Budget", on page 3, line 18, after the word "reference", to strike out "periodicals and newspapers (not exceeding \$500)" and insert "and periodicals"; in line 19, before the word "maintenance", to strike out "teletype news service"; in line 21, after the word "use", to strike out "and not to exceed \$55,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, \$2,290,340" and insert "\$1,830,400", and on page 4, line 1, after the amendment just above stated, to strike out the comma and "of which \$44,940 shall be allocated to the Federal Board of Hospitalization."

The amendment was agreed to.

The next amendment was, on page 4, line 8, after the word "available" to strike out the comma and "and including the temporary employment (not exceeding \$65,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes and the Classification Act of 1923, as amended"; and in line 19, after the figures "\$879,800", to insert a colon and the following proviso: "Provided, That upon the expiration of 60 days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law."

The amendment was agreed to.

The next amendment was, at the top of page 5, to insert:

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of regional, field, or any other offices outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Civil Service Commission," on page 7, line 12, after the word "exceed", to strike out "\$5,000" and insert "\$2,500";

and on page 8, line 4, after the word "charts", to strike out "purchase."

The amendment was agreed to.

The next amendment was, on page 8, in line 6, after the word "binding", to strike out "\$6,056,473" and insert "\$5,516,223."

Mr. McKELLAR. Mr. President, on page 8, in lieu of the committee amendment appearing in line 6, the committee has authorized me to present another amendment, which I now do.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, line 6, after the word "binding", it is proposed to strike out "\$6,056,473" and insert in lieu thereof "\$5,766,000."

Mr. WHITE. Mr. President, as I understand, the amendment now submitted by the Senator from Tennessee is a compromise which was arrived at in the committee and it is a figure in between the House figure and that previously adopted by the committee.

Mr. McKELLAR. That is entirely correct. It was arrived at at a subsequent meeting.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 8, line 11, after the word "exceed", to strike out "\$113,000" and insert "\$90,000."

The amendment was agreed to.

The next amendment was, on page 9, line 11, after the word "binding", to strike out "\$12,995,504" and insert "\$8,000,000."

Mr. McKELLAR. In lieu of the amendment just stated, I am authorized by the committee to offer an amendment, which is likewise a compromise adjustment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In lieu of the committee amendment, on page 9, line 11, it is proposed to strike out "\$12,995,504" and insert "\$8,840,000."

Mr. WHITE. Mr. President, I understand that this amendment carries a new figure which was agreed upon in the committee at a second meeting.

Mr. McKELLAR. That is correct.

Mr. DOWNEY. Mr. President, I desire to object to the amendment. Will it go over or what will be the disposition of it?

Mr. McKELLAR. The Senate will vote on it, unless the Senator desires to make a speech.

Mr. DOWNEY. Mr. President, the Committee on Appropriations—

Mr. MEAD. Mr. President, as this is a very important matter, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Ferguson	Radcliffe
Andrews	George	Revercomb
Austin	Gillette	Reynolds
Bailey	Gurney	Robertson
Bankhead	Hatch	Russell
Barkley	Hawkes	Shipstead
Bilbo	Hayden	Stewart
Bone	Hill	Taft
Brewster	Holman	Thomas, Idaho
Bridges	Jackson	Thomas, Okla.
Brooks	Johnson, Colo.	Thomas, Utah
Buck	Kilgore	Tobey
Burton	La Follette	Tunnell
Bushfield	Langer	Tydings
Byrd	McCarran	Vandenberg
Capper	McClellan	Wagner
Clark, Idaho	McFarland	Walsh, N. J.
Clark, Mo.	McKellar	Weeks
Connally	Maloney	Wheeler
Cordon	Mead	Wherry
Danaheer	Millikin	White
Davis	Murray	Willis
Downey	O'Mahoney	Wilson
Eastland	Overton	
Ellender	Pepper	

The PRESIDING OFFICER. Seventy-three Senators having answered to their names, a quorum is present.

Mr. DOWNEY. Mr. President, the Committee on Appropriations, in reporting to the Senate the independent offices appropriation bill, H. R. 4070, proposed an amendment on page 9, line 11, which would have the effect of reducing the Civil Service Commission's appropriations for "Salaries and expenses, national defense" from \$12,995,504 to \$8,000,000.

Since reporting the bill to the Senate the Committee has given further consideration to this item, and its acting chairman has just proposed an amendment which would increase the amount proposed for the Commission from \$8,000,000 to \$8,840,000.

If the Senate accepts the recommendation of the Appropriations Committee and appropriates only \$8,840,000 to the Civil Service Commission for its national defense activity, it is my understanding that the Commission will be in the position that at least \$1,890,000 will no longer be available for its activities in connection with the recruiting of persons for the war agencies.

Therefore, Mr. President, I am proposing that we strike out the amount of \$8,840,000 and substitute for it the amount of \$10,730,000.

This would put the Civil Service Commission in a position where it could continue to render the service in the field of recruiting and placement which is so desperately needed by the war agencies of the Government.

As chairman of the Civil Service Committee of the Senate, I am in a position to know that, throughout this war period, the Commission has, if anything, been undermanned in connection with its recruitment and placement work.

As a result of several investigations in California, I am especially familiar with conditions in my State. The Commission's office, located in San Francisco, which serves the State of California, has carried a far heavier load in connection with its recruiting work than any group of human beings should be called upon to carry. They have done an amazingly effective job, operating under severe handicaps, and without adequate resources. It is my understanding that what is true in connection with this

office is likewise true in connection with the work of many of the Commission's other offices.

In asking for funds for its recruiting and placement work for the war agencies, the Commission has always predicated its request on the estimated number of placements it would be called upon to make in the Federal service over a given period. Not once since the war began has the Commission overestimated its anticipated work load. In every instance it has underestimated that load.

It is in the light of this record that I desire to have the Members of the Senate consider the basis for the Commission's request for funds for recruiting for the fiscal year 1945.

In submitting its request for funds for 1945 to the Bureau of the Budget, the Commission estimated that it would be called upon to make 1,548,000 placements for 1945. Between the time when these requests were submitted and hearings were held on the Commission's request before the House Committee on Appropriations, the Commission decided, on the basis of its current experiences, that in all probability it would be called upon to make 1,485,000 placements in 1945. Consequently, on its own initiative, the Commission asked the House Committee on Appropriations to approve \$272,043 less than the amount submitted to the Congress as a result of the hearings before the Bureau of the Budget.

I refer to this for the purpose of indicating that the Civil Service Commission does make a conscientious effort to keep its requests for funds in line with its anticipated workload.

In estimating the number of placements which it feels will be made in 1945, the Commission has assumed that there will be a decrease in total Federal employment of approximately 250,000, as compared with the peak reached in June 1943. Consequently, the Commission believes that virtually all its recruiting work in 1945 will be for the purpose of making replacements. Under such circumstances the important factor in determining just what the work load will be is the turn-over rate. The Commission estimates are based on the assumption that this turn-over rate in 1945 will average 4½ percent a month. Actually, the Commission's experiences up to the present time reflect an average turn-over rate of better than 5 percent a month.

Having made what it seems to me is a very conservative estimate of the number of placements which will be made in 1945, the Commission's justifications then indicate that the cost per placement for 1945 will be \$4.42. To my mind, this is a low cost, when we consider the difficulties all employers are having at the present time in obtaining qualified personnel. At no time in the hearings before either the House Committee on Appropriations or at the hearings before the Senate Committee on Appropriations have these cost figures been called into question.

Unless the amount of \$1,890,000 shall be restored, as proposed by the amendment which I am offering, it will mean that the Civil Service Commission, in-

stead of making 1,485,000 placements, will be able to make only 1,000,000 placements. In other words, we will be putting the Commission in a position where it will be virtually impossible for it to make 500,000 replacements in key war agencies.

Let us remember that this is not a question of providing the Commission with funds to recruit persons to take care of any proposed increase in Federal employment. This estimate rests on the premise that Federal employment will decline 250,000 as compared with the peak reached in June 1943. These funds are being requested solely for the purpose of making replacements in key war agencies.

Right now, for example, the Civil Service Commission is engaged in an intensive recruiting program in order to find persons for work at the Pearl Harbor Navy Yard. Certainly there is no question in the mind of anyone about the absolute necessity of meeting the Navy's needs as far as the staffing of this yard is concerned. Furthermore, this is not a need that is going to be taken care of once for all during the next few months. Literally thousands of persons now working in the Pearl Harbor Navy Yard will ultimately be inducted into the armed forces. Others having spent 18 months or more working in the Pearl Harbor Navy Yard will return to the mainland. The Civil Service Commission will be expected to find the replacements for these workers. If it does not, it will be criticized and criticized in a vigorous manner by the Members of Congress. And yet, right now, we are proposing to take away from the Civil Service Commission the funds which it desperately needs in order to render this kind of a service to the Navy Department. And, incidentally, I happen to know that the Navy Department would be willing to state to any Member of the Senate that without the services of the Civil Service Commission it would not have been able to carry on its work in the navy yards in the way in which it has.

There have been times, for example, when the manpower situation has been desperate insofar as the west coast navy yards are concerned. The Civil Service Commission has been able to respond effectively to insistent demands for help and assistance, and, working with the War Manpower Commission, has been able to produce the men that were needed. Anyone conversant with the war situation knows that the pressure for persons in these yards is not going to become less. It is obviously going to become greater as time goes on.

Over a period of the past few months, the Members of the Senate have become thoroughly familiar with the fact that it is very difficult to meet the personnel needs of the Veterans' Administration, including, of course, the hospitals which are maintained and operated by this agency of Government. The primary responsibility for meeting these needs, needs which must be met if our returning veterans are to be cared for in the proper manner, rests upon the Civil Service Commission. And yet, if the Commission is not provided with the funds

which it has requested and which the House of Representatives has already passed upon favorably, it will be virtually impossible for it to meet these demands.

In addition to this, the Civil Service Commission must assume the primary responsibility of making sure that government, as an employer, does what all employers should do, namely, provide job opportunities for returning veterans. And yet, just at the time when this load is beginning to mount, we propose to make a drastic reduction in the Commission's funds. If we do, and if the returning veteran is not given the help and assistance which he should receive as he seeks employment with the Federal Government, the blame will rest on our shoulders and not on the shoulders of the Civil Service Commission.

The Civil Service Commission says that it needs money to make 1,485,000 placements. For my part, I believe this is a conservative estimate. The House of Representatives, after extensive hearings before its Appropriations Committee, believes that it is a sound estimate. No testimony was presented to the Appropriations Committee indicating any basis for the Senate arriving at a different conclusion. Surely, on the record as it stands at the present time, there is no justification for our taking action deliberately designed to cripple the Federal Government's central personnel agency.

I urge, therefore, that the Senate vote to strike the amount of \$8,840,000 on page 9, line 11, and substitute for it the amount of \$10,730,000.

Mr. McCARRAN. Mr. President, will the Senator from Tennessee yield to me? Mr. McKELLAR. I yield.

Mr. McCARRAN. On page 56 of the bill there is an appropriation for the United States Maritime Commission. That is an item in which many of us are exceedingly interested. As a member of the Appropriations Committee it has been my desire to see that this all-important Commission should have the money necessary to enable it to go forward with its work. I wish to say that there is no work in all the war effort which is more competently or more capably carried on than that of the United States Maritime Commission.

Sometime ago it was my privilege to write an article to be published in the publication known as Shipmate, entitled "Looking Ahead," with the subtitle, Navy's Peacetime Job To Be Biggest in History. It is a short article and I ask unanimous consent that it may be inserted in the RECORD at this point in connection with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOOKING AHEAD—NAVY'S PEACETIME JOB TO BE BIGGEST IN HISTORY

(By PAT McCARRAN)

The United States Navy today is doing its biggest wartime job.

When that job is over and a grateful country says, "Well done," the Navy will face a far bigger peacetime job than ever before.

The end of this war will find the United States the biggest maritime power in the history of the world.

Entering this war, the United States had about 12,000,000 dead-weight tons of mer-

chant shipping. The other United Nations, altogether, had about 43,000,000 tons.

Great Britain, starting with about 22,000,000 dead-weight tons of shipping when she entered the war, lost about one-third of that total during the first 2 years of hostilities, and has been unable to balance losses with new construction, at least, until very recently. Probably the maximum strength of the British merchant marine at the end of the war will be no more than 20,000,000 tons.

We have had losses, too, but new bottoms launched since Pearl Harbor from American shipyards exceed 20,000,000 tons. Our shipbuilders have done a magnificent job. Of all world powers, only the United States has more shipping today than before the war. It seems a safe guess we shall emerge from the war with about twice the dead-weight tonnage of merchant shipping Great Britain will have.

These figures are no war secrets, being based on public releases from the Office of War Information.

In taking cognizance of this situation, in outlining the facts and giving thought to their implication, we must avoid any semblance of boasting. While we are properly proud of the skill, ingenuity, and success of our shipbuilding industry, there is no question but that we should be even more pleased if circumstances had enabled the British and our other allies to do as well. We want this war won, and won as soon as possible, and it could be won faster if the United Nations had more ships. In calling attention to our country's complete ascendancy on the seven seas there is no intention to brag but only to provide essential background for some serious thinking about the responsibilities which we as a country will face, and which our Navy will face, in the post-war world.

Holding the primary place among maritime powers, which seems assured us, we shall be confronted with many problems and with many duties, both to ourselves and to the world. A large share of the responsibility for solving those problems and for meeting those obligations will fall inevitably to the United States Navy. We must bear this fact in mind in all our post-war thinking, through all the discussions and negotiations concerning naval disarmament which we know will come.

Mr. McKELLAR. Mr. President, in reference to the amount of \$8,840,000 for this item which the committee has reported I wish to explain to the Senate that there are two appropriations here for the Civil Service Commission. Last year Congress appropriated \$6,011,000 for the ordinary work of the Commission, that is, its usual work. Last year we appropriated for salaries and expenses of the national defense part of the Commission \$13,285,362. The Commission this year asks for a like sum, but the hump of the work of the Commission has passed by. The Commission cannot use as much money as it used last year, and the very arguments made by my distinguished friend, the Senator from California [Mr. Downey] show that to be so, for he does not ask for the full amount which the House provided, but for \$2,265,000 less than the House provided. Our committee went into this matter. We had the House hearings before us. We knew that the hump had been passed.

Mr. President, the action of the committee is not to be construed as a criticism of the Civil Service Commission at all. I suppose the Commission is doing the best job it can in both its war work and regular work. We have given the Commission substantially the same

amount it had last year for its regular work. I think there is a difference of \$206,000, a comparatively small difference between what the Commission had last year and what we propose to provide for the Commission this year. The Civil Service Commission cannot possibly need as much as it has asked for, and it could not use it if we provided it, because it cannot get the employees it wants. The Commission has gotten over the hump of its work for military purposes. Therefore the committee saw fit to cut down the amount to \$8,000,000 at first. However, after we had agreed on the matter in committee, the distinguished Senator from Ohio [Mr. BURTON] came forward with three or four items—I do not remember the exact number—for which he felt appropriation should be made. The committee went into the matter very carefully and, after examination, the \$840,000 the Senator from Ohio asked for was granted. So that amount is now in the bill. The very fact that the Senator from California [Mr. Downey] desires \$2,265,000 less than the House allowed shows that the House provisions ought to be changed.

Mr. AIKEN. Mr. President—

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Tennessee yield to the Senator from Vermont?

Mr. McKELLAR. I yield.

Mr. AIKEN. Would the Senator mind repeating the purpose of the \$840,000 which he recommends be added to the \$8,000,000? I happened to be called out of the Chamber just as the Senator was explaining that item.

Mr. McKELLAR. I will do very much better than explain the matter myself. I will refer the Senator to our distinguished colleague the Senator from Ohio [Mr. BURTON], who is now standing immediately behind the Senator from Vermont and who will explain the matter fully.

Mr. BURTON. Mr. President, I am glad to respond to the request for an explanation of the \$840,000 proposed to be added to the committee amendment. As the subcommittee recommended originally to the general Appropriations Committee, the cut was from \$12,995,504 to \$8,000,000. I was not a member of the subcommittee, but being a member of the general Committee on Appropriations and also of the Committee on Civil Service, I made a special examination as to where that cut would fall if it were applied to that extent. In that connection I obtained from the Civil Service Commission an analysis of where the entire cut would fall. It would fall upon eight items. Of those eight items, I picked out three and a fraction of a fourth which seemed to me absolutely essential. I presented those four items to the full Committee on Appropriations, of which the distinguished acting chairman, the Senator from Tennessee [Mr. McKELLAR], had called a special meeting in order that we might be sure to cover the whole subject.

Those four items are as follows: The first is an item of \$350,000. This \$350,000, if not appropriated here, would not be available for working with the depart-

ments and agencies in order to improve what they call the utilization of personnel now on the Federal pay roll.

After presentation of the Commission's program in this field to the House Committee on Appropriations, Representative JOE STARNES, of Alabama, asked the following question in the House:

Do you not feel that that—

Referring to personnel utilization—

is probably the biggest problem that we have in dealing with the matter of personnel during the war period—the proper utilization of manpower?

The Commission concurred in that expression by the Representative from Alabama. Apparently his views were concurred in by the entire committee, in view of the fact that the total amount requested for this item was granted by the House of Representatives. The Commission's program in this field is also in line with the recommendations made by the Joint Committee on Reduction of Nonessential Federal Expenditures, of which the Senator from Virginia [Mr. BYRD] is chairman. The program is an attempt properly to utilize the manpower already in civil service. If the funds available for this activity are reduced by \$350,000, the effectiveness of the Commission's work in this area will be seriously impaired.

The Appropriations Committee felt that was really an attempt to bring about greater efficiency and a measure of economy recommended by the committee headed by the Senator from Virginia [Mr. BYRD]. We felt that to omit that item would be short-sighted economy.

The second item is an item of \$150,000. If this \$150,000 is not appropriated it will not be available for classification of positions in Washington, D. C., and in the field. As a result of funds appropriated by the Congress, the Civil Service Commission has just begun to set classification standards for field positions in an effort to eliminate the chaos in the field, insofar as salaries are concerned, to which the House Committee on Appropriations referred in reporting the Treasury-Post Office appropriation bill for 1945. I shall read a paragraph from the report of the committee. This paragraph is the convincing paragraph upon which our committee acted. The House committee points out that in the field there is chaos as between the employees of different departments. The quotation from the House committee report is as follows:

A number of the agencies appropriated for in this bill have presented requests for increases in their appropriations to cover the cost of the reclassification of certain positions in the field service. The committee is informed by representatives of these services that other agencies in the Government have classified similar positions in grades paying higher salaries and they find they are unable to keep their employees, who are naturally attracted by the offers of higher pay in other agencies for the same work. While the law governing reclassifications places the final authority for the making of such reclassifications for positions in the District of Columbia exclusively in the Civil Service Commission, it has dispersed this authority and responsibility with respect to reclassifications in the field service among

the heads of the several departments and agencies. The natural result of such a law is a reasonable degree of uniformity in the matter of reclassifications in the departmental service, but a very wide variance in reclassifications in the field service. This condition promotes a very unhealthy competition among the departments for personnel, which is especially acute during periods of manpower shortage such as the present. It not only promotes confusion among the various field services, resulting from the constant transfer of employees from one service to another, but it creates a constant upward trend in salary levels in the implementation of this competition among the several departments. The committee believes the appropriate legislative committee of the House should give careful study to the unsatisfactory situation in the field service resulting from the provisions of the existing law, with a view of bringing about suitable amendment of the law to remedy this situation.

If \$150,000 is withdrawn from this work, it will mean that the Commission's activities in connection with the classification of field positions will be cut in half.

Again, the Appropriations Committee felt that to keep the field positions on the same basis as between the different departments was a constructive measure of economy.

The third item is an item of \$200,000. At least \$200,000 would no longer be available, under the proposed original cut, for the Commission's work in connection with the administration of the retirement system. I think it is perfectly clear that this item should remain in the appropriation. The proposed cut would mean, for example, that on a conservative basis at least 250,000 claims for refunds of amounts deposited in the retirement account would be awaiting action at the end of the fiscal year 1945. It also would mean that there would be delays running from 6 months to a year in the handling of these claims for refunds. In addition, there would also be delays in connection with the settling of death claims and in the placing of retired Federal employees on the annuity rolls.

The justification for those three items seemed to be clear, beyond question. The remaining \$140,000 of \$840,000 is merely for the overtime allowance of 20 percent in order to keep up with the \$700,000 thus restored to the bill.

Mr. AIKEN. Mr. President, if this \$840,000 is added, it will provide an appropriation about \$4,000,000 less than the House allowed for the Civil Service Commission. Will the Senator explain what that \$4,000,000 is taken from? I suppose the Senator from Tennessee explained that matter while I was called out of the Chamber.

Mr. BURTON. I have the corresponding material here, if the Senator would like me to proceed with it.

Mr. AIKEN. I do not know what it was.

Mr. McKELLAR. I shall be glad to have the Senator proceed with the explanation. I yield to him for that purpose.

Mr. BURTON. This material relates to the remaining four items which the Committee on Appropriations omitted after further consideration. It includes

the one which the Senator from California [Mr. DOWNEY] is now moving to restore.

Mr. AIKEN. What are those four items?

Mr. BURTON. The first item is the one to which the Senator from California referred. It amounts to \$1,890,000. That is the amount urged by the Commission in connection with the recruiting of personnel for the war agencies. If the Senator would care to have me read a brief statement into the RECORD, that will explain it, although the Senator from California already has done so.

Mr. AIKEN. Does the Civil Service Commission itself recruit personnel for the war agencies?

Mr. BURTON. So I understand.

Mr. AIKEN. I understand that these agencies are fairly capable at recruiting their own personnel.

Mr. DOWNEY. Mr. President, I do not know who has the floor, but I ask whoever has the floor to yield to me.

Mr. McKELLAR. I yield to the Senator from California.

Mr. DOWNEY. Mr. President, I can speak with certainty only as to the conditions on the Pacific coast, in Alaska, and in Hawaii. In those areas our war agencies throw almost entirely upon the Civil Service Commission the burden of recruitment and replacement. The representatives of both the Army and the Navy have told me that the Civil Service Commission has done a most excellent job, and that they will feel most unhappy if these funds are cut and if the service which has been rendered by the Commission is injured.

I wish to say, Mr. President, that I have had detailed and rather exhaustive knowledge of conditions existing in the West. I believe the personnel of the Civil Service Commission have done an excellent job in replacement and recruitment work. I know they have worked long hours. I know they have insufficient staffs. So far as the West is concerned, the most critical days still lie ahead of us, we fear, because we do not think the war with Japan is yet over. We think the burden will increase.

I can say from my own personal knowledge—I say this with some humility, but yet with certainty—that the cutting of the total fund by one-third, which is what the proposed reduction amounts to, will so increase the burden on the Civil Service Commission in connection with the replacement of personnel in the war agencies, that the Commission simply will not be able to perform the work it will be called upon to do. The result will be a most serious injury to the war effort.

Mr. AIKEN. Mr. President, does the Senator from Ohio know whether that recruiting practice is followed over the entire country?

Mr. BURTON. I understand that practice is carried on. In the report which I have here, a further statement is made with respect to it which may interest my colleague on the Civil Service Committee.

Mr. AIKEN. In connection with the proposed cut in the appropriation for that purpose, what did the committee

have in mind with respect to the matter of replacements? Did the committee take the position that the various agencies would do their own recruiting?

Mr. BURTON. Perhaps the acting chairman of the committee, the Senator from Tennessee [Mr. McKELLAR], will state what the committee had in mind. Of course, two-thirds of the fund would remain; but the fact is that the committee had in mind reducing the amount by one-third.

Mr. McKELLAR. Mr. President, the Civil Service Commission asked for substantially what it had last year. It is apparent to everyone that it does not have the work to do this year that it had last year. If it were to undertake to do this year the amount of work which it did last year, there would not be enough employees in the country. The Commission would have more money than it could possibly use. That is shown to a very large extent by the amendment of the distinguished Senator from California [Mr. DOWNEY] who stated that he offered an amendment providing for \$10,730,000, which is \$2,265,000 less than the House allowed for this item. There is no charge of inefficiency or incompetency on the part of the Commission. It simply has not that much work to do.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AIKEN. Does the committee believe that the Commission does not need the money, and would not spend it if it had it?

Mr. McKELLAR. I have no doubt that it would not spend it. It could not spend it if it had it. There is a very great difference of opinion as to how much is needed. It is purely for war purposes. In the appropriation for its regular and ordinary work the Commission would receive about \$6,000,000. The Civil Service Commission would receive substantially all it had last year or asked for this year.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. DOWNEY. Let me offer some further figures to the distinguished Senator from Vermont. In reaching the figure of \$10,730,000 which I have placed in the amendment I have offered as a substitute for both the House and Senate provisions, I have considered only the expected replacements, and no new hiring. Replacements in the United States civil-service work are now running at about 5 percent a month. To be safe, we calculated the replacements at only 4½ percent a month. Then we took the most conservative figure that could be agreed upon as to the cost of making each replacement under those conditions. That brings the total to \$10,730,000. I am told that there was no detailed information before the Appropriations Committee by which it reached its figure of \$8,840,000. The figure I am submitting, of \$10,730,000, was based upon what we conservatively believe will happen.

I should like to add while I have the floor that literally hundreds of thousands of civil-service workers have been

brought into the western part of the United States, principally into Army and Navy installations. They were brought in by cooperation with civil-service agencies in the various regions throughout the United States. I know that a great many arrangements have been worked out in the New England region, for example, and in the Middle West. So I know that the Civil Service Commission is performing a valuable function.

Mr. AIKEN. Suppose this appropriation is not sufficient to do what the Senator from California feels might be required. Is there any reason why deficiency appropriations could not be made at a later date? Would it interfere with the work if the appropriation were made on the basis that if the amount were insufficient, a deficiency appropriation could be made later?

Mr. DOWNEY. As I understand, if the figure is fixed at \$8,840,000 instead of \$10,730,000, immediately about one-third of the workers who are at the present time engaging in recruitment and replacement work will have to be discharged. I am trying to speak conservatively and realistically. I think that would be a most serious injury to the war effort of the Nation. I know that would be true on the Pacific Coast.

Mr. BURTON. Mr. President, to comment on the matter a little further, my distinguished colleague from Vermont is a member of the Civil Service Committee, together with the Senator from Tennessee [Mr. McKELLAR], the Senator from New York [Mr. MEAD], and the Senator from California [Mr. DOWNEY]—

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. McKELLAR. The committee had the benefit of all the hearings before the House committee on this subject. It had all the facts. We are all aware of the fact that the hump in civil-service employment is over. It would not be possible to obtain as many employees during the coming year as have been obtained this year. It would be impossible to get them. They do not exist.

Mr. BURTON. To complete the discussion of this particular item, I wish to emphasize to my colleagues on the Civil Service Committee that in presenting these matters to the Appropriations Committee I selected the four which seemed to be the most striking and vital of the group. This one involved a reduction of one-third of an item. If the question were sent to conference, the House would be enabled to discuss that question on its merits. Even that one-third impressed me as not being all in the same class. For example, a reduction of one-third would involve two kinds of activities. It is stated on behalf of the Civil Service Commission that its activities in connection with recruiting for Pearl Harbor and for other key navy yards, for War Department manufacturing establishments, and for the Veterans' Administration, including, of course, hospitalization facilities, would be crippled. That is the vital factor in the argument.

On the other hand, it has been stated that this would come at just the time

when Congress has under consideration the enactment of veterans' preference legislation, which will place upon the Commission important responsibilities designed to protect the rights of veterans to preference for Federal jobs. The Commission states that if these proposed cuts are made it will be absolutely impossible for it to discharge its responsibilities in an expeditious manner.

The Commission is anticipating something which does not now exist. It might very well be that if legislation were enacted, and there were more preference work to be done, the Commission would have a stronger claim at that time than it has at this time.

Mr. DOWNEY. Mr. President, it is a dreary and dismal fact, but, in my opinion, the Nation is failing in its responsibility toward returning veterans. That is true in California, at least. Hospitalization, veterans' service, and veterans' reemployment are not functioning as they should. It is a sad thing that while we talk so patriotically, we cannot, by our energy and vision, measure up to our responsibilities. I know of hundreds of sad cases of veterans who have been wounded or made sick in the service of their country, who are not receiving proper attention in California. I have no doubt that there are tens of thousands of such cases in the United States. Let me say to the distinguished Senator from Ohio that this appropriation goes directly to that problem. The number of nurses and interns in veterans' hospitals, at least in California, is not sufficient to afford decent treatment. We have not been able to obtain the number of Federal employees we need there. The employees of the Commission have been working overtime. I dread to think what would happen if a reduction were made in the personnel.

Mr. BURTON. Mr. President, to complete the reply to the Senator from Vermont on the other three items involved, which are not presented by the Senator from California, they may be briefly summarized as follows:

One of them is \$1,000,000, which will not be available to investigate the suitability and loyalty of persons selected for key war positions.

Another is an item of \$200,000 which will not be available for use in connection with studies which the Commission constantly makes in an effort to improve its methods of doing business in connection with personnel, budget, purchasing, and other staff and administrative services.

The final item is \$500,000, which will not be available for travel in connection with investigating activities for carrying on the special recruiting programs for such establishments as Pearl Harbor, navy yards, and so forth, which are related to the other items.

I am recommending that we approve the committee recommendation of \$8,840,000, but that the rest of the matters go to conference.

Mr. McKELLAR. Mr. President, in conclusion let me say that the committee has gone very carefully into this subject, as shown by the remarks of the Senator from Ohio. We did not act capriciously

in any way. When the Senator from Ohio, who is a member of the Civil Service Committee, brought before the Appropriations Committee the items which were important, and made his argument to the committee, the committee agreed to them, and we increased the amount from \$8,000,000 to \$8,840,000.

In my opinion, the committee has acted with great care. We have not disapproved what the Civil Service Commission has done. We wish to help the Commission in every way; but there is no use in appropriating for it money which admittedly it does not need. It does not need as much as the House has allowed. Therefore, I hope that the committee amendment will not be agreed to.

Mr. WHITE. Mr. President, I wish to say a very brief word about the situation. I was absent from the city most of the time while this bill was before the committee. I was a member of the funeral committee which went to Oregon. My experience, I believe, is the experience of every other Senator. When we are away and miss something it is almost impossible, with the burdens of daily work, to go back and pick up the threads and bring ourselves up to date.

I do not pretend to know what is the precise amount which should be provided with respect to this matter. My impression was that the suggestion made by the Senator from Ohio of lifting the original Senate committee figure from \$8,000,000 to \$8,840,000 was eminently fair.

What impresses me is that if we accept the amendment now offered by the committee, and originally sponsored by the Senator from Ohio, it will give to the conference committee the very widest latitude. There is a gap there between the sum of \$8,840,000 and approximately \$13,000,000. That would present to the conference committee the fullest opportunity again to consider the matter, weigh the evidence before the House committee, and later before the Senate committee, and reach what would be a fair figure.

I have one other thought in mind. I think this is an illustration—we meet it over and over again—of the complete unwillingness of any agency of the Government to let go of a dollar which it has ever received. I do not blame the Civil Service Commission for being reluctant to take any cut. I doubt if they would be qualified for their jobs if they were not earnest and zealous in their work. However, I feel that there is a tremendous obligation resting on the Congress to cut expenses wherever it is possible. I urge that in the present instance as an additional reason why the whole matter, with wide range of authority, should be in the conference committee, and I have faith that the conference committee will do justice to all concerned. I very much hope that the amendment of the Senator from California will not be agreed to, but that the figure recommended by the committee will have the approval of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment of the Senator from California [Mr. Downey] to the committee amendment, as modified, on page 9, line 11.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the committee amendment on page 9, line 11, as modified.

Mr. AIKEN. Mr. President, what is the question now before the Senate?

Mr. McKELLAR. The question now is on agreeing to the committee amendment on page 9, line 11, as modified, changing the figure to \$8,840,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as modified.

The amendment as modified was agreed to.

MESSAGE FROM THE HOUSE— ENROLLED BILL

A message from the President of the United States, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1285) to facilitate voting, in time of war, by members of the land and naval forces, members of the merchant marine, and others, absent from the place of their residence, and to amend the act of September 16, 1942, and for other purposes.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment of the committee was on page 9, after line 17, to insert:

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order No. 9358 of July 1, 1943.

Mr. BURTON. Mr. President, I should like respectfully to object to the amendment. It was discussed in our committee meeting, and, although it was not reconsidered at the time we held a special meeting on this subject, I reserved the right to raise the question on the floor of the Senate for two reasons:

First, allow me to state what the substance of the amendment is. I object to it on its merits, and particularly on the ground that it should be handled through the Civil Service Committee as regular legislation, rather than as a part of an appropriation bill.

What this amendment does is to prohibit the spending of any money for the Legal Examining Unit in the Civil Service Commission; that is to say, it prohibits from now on any civil service examinations of lawyers. It seems to me that it amounts to a matter of substance. Some lawyers employed by the Government now take civil service examinations and

some do not. The amendment would require a change in that policy; and it would seem to me that in line with the steps taken about a year ago the matter should be left to the civil-service committees and the other standing committees of Congress to make recommendations upon the subject.

A few years ago there was appointed by the President a special committee, under the chairmanship of Mr. Justice Stanley Reed, to make recommendations for civil-service improvement. That committee made a recommendation that lawyers be put under civil service.

There was a division in the committee as to the mechanics for handling such examinations. One group recommended that there be a board which would have priority over the Civil Service Commission, and another group recommended that the procedure be through the Civil Service Commission. The Appropriations Committee of the House, I believe it was, objected to acting upon an appropriation for the board of examiners until after the matter had been passed upon as a question of substantive law.

A bill was thereupon introduced in the House and passed by it to authorize the creation of a board of legal examiners. When the bill reached the Senate it was referred to the Civil Service Committee of the Senate. It was considered at length by that committee. There was divided opinion in the committee, and a majority of its members was against a recommendation of the bill. Therefore, as the matter now stands, there is no appropriation pending to provide for the creation of a board of legal examiners, and that is as it should be.

On the other hand, there are funds available for continuing the work of the regular legal examining unit. It seems to me that the Appropriations Committee is reversing its policy when it now undertakes to pass upon the subject as a matter of law, abolish the existing procedure of examining by a legal examining unit, and prevent civil-service examinations being held without first referring that matter to the Civil Service Committees of the House and the Senate for the purpose of letting them pass upon the merits of the legislation. Therefore, I believe it would be consistent with the previous action of the Appropriations Committee not to act on any change proposed in the legal examining method until it had been first acted upon by the standing committees dealing with that particular subject. Therefore, I believe we should vote down any such action, at least in connection with the pending bill.

Mr. McKELLAR. Mr. President, the Senator from Ohio has stated the history of this particular board. There has been a difference of opinion about it. Most lawyers, I believe, correctly feel that lawyers employed by the Government should be selected by men who are learned in the law and who know something about the legal profession.

How in the world can a civil-service agent sent to New York, or to Memphis, or to any other city in the country, determine as to the ability and qualifications of lawyers who are to work for the

Government? To my mind it is idle; we are just throwing away time and money in making such investigations as that. Therefore, the Department of Justice was very much in favor of a board of legal examiners; such a board was established by Executive order and, if it had been allowed to operate under the Department of Justice, in my judgment it would have done a splendid work. I hope that the problem may be solved along that line, but the idea of the Civil Service Commission reporting on lawyers and their ability and fairness and their relative qualifications, to my mind, is something that cannot be done. Probably it ought to be left to lawyers to ascertain what kind of lawyer should be employed in the Government service.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BURTON. I recall that the matter came before the Civil Service Committee, and I may say that I agreed with the Senator from Tennessee.

Mr. McKELLAR. The Senator did and we voted together.

Mr. BURTON. I supported the board of legal examiners, but that was voted down. Now what I understand has taken place is that a board of legal examiners is, as a matter of fact, acting in an advisory capacity to the Civil Service Commission, and the Civil Service Commission is having the benefit of that procedure, although the Commission is not now under the control of the board as it would have been under the plan originally proposed. So I believe we are getting the benefit of examination by lawyers, but, if we cut off all civil-service examination, it seems to me that we then throw the whole matter open, do away with veterans' preferences, and create a position which is not sound.

Mr. McKELLAR. Mr. President, the Departments of Justice, State, and Commerce and Labor appropriation bill is before the Appropriations Committee at this time, and I hope it may be worked out in the Department of Justice section of the appropriation bill in such a way that the question may be properly settled. But surely we ought not to have legal examiners, from another State ordinarily, going into a city to find out about lawyers. It is very difficult for such an examiner to pass upon the ability of lawyers. It is wrong, according to my opinion.

Mr. AIKEN. Mr. President, when the bill establishing a board of legal examiners came before the Civil Service Committee I did not agree with the Senator from Tennessee or the Senator from Ohio on it, because I could not see why lawyers should be set aside as a privileged class, to be selected by a board of their own members, and particularly when the board had powers greater than the Civil Service Commission itself. If that is done for the lawyers, there is no reason why accountants should not say that their members in Federal employ should be selected by a special board of accountants, and why employees of the Department of Agriculture should not be selected by a board of farmers, and so on. So I opposed the entire bill, and I be-

lieve we will be very wise to oppose also this proposed amendment.

Mr. LA FOLLETTE. Mr. President, I recognize that there are arguments on both sides of this question as to how legal talent to be taken into the Government service should be secured. It seems to me, however, that that matter should be determined by the legislative committees of the respective Houses. The effect of this amendment will be to strike down the only method which we now have in existence for the selection of lawyers for employment in the Government service. I think it should be pointed out that the Civil Service Commission is now passing upon and is the screening agency through which come many of the other professional and scientific persons employed by the Government. It seems to me, especially in view of the statement made by the Senator from Ohio [Mr. BURTON] that the Civil Service Commission is securing the benefit of the advice of the examining board, that we should not in the interim while this controversy is going on as to what method should be employed, put a stop to the only machinery which is now in operation for the selection of legal personnel for the Government service on a merit basis.

Mr. McKELLAR. Mr. President, I hope the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. [Putting the question.] By the sound the ayes seem to have it.

Mr. LA FOLLETTE. I ask for a division.

Mr. EASTLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Pepper
Andrews	George	Radcliffe
Austin	Gillette	Revercomb
Bailey	Gurney	Robertson
Bankhead	Hatch	Russell
Barkley	Hawkes	Shipstead
Brewster	Hayden	Stewart
Bridges	Hill	Taft
Brooks	Holman	Thomas, Idaho
Buck	Johnson, Colo.	Thomas, Utah
Burton	Kilgore	Tobey
Bushfield	La Follette	Tunnell
Byrd	Langer	Vandenberg
Capper	McCarran	Wagner
Clark, Idaho	McClellan	Walsh, N. J.
Clark, Mo.	McFarland	Weeks
Connally	McKellar	Wheeler
Danaher	Maloney	Wherry
Davis	Mead	White
Downey	Millikin	Willis
Eastland	O'Mahoney	Wilson
Ellender	Overton	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present.

Mr. BURTON. Mr. President, I ask that the Chair state the pending question.

The PRESIDING OFFICER. A division was called for on the committee amendment at the bottom of page 9.

Mr. BURTON. Mr. President, the committee amendment at the bottom of page 9, I believe, should not be adopted for two reasons: First, I believe it should be acted upon by the proper legislative committee of the Senate before it is presented to the Senate; and, second, I

believe that on its merits it is not a sound provision. The substance of the provision or amendment is that—

No part of the appropriations herein made for the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission.

In other words, by failure to appropriate it abolishes all civil-service examinations in the selection of lawyers for Government service.

Mr. President, this is a matter which has been under consideration by the Congress for some time. The history of it explains the situation simply, I think. In 1941 the President received a report from a special committee on civil-service improvement, headed by Mr. Justice Stanley Reed. That committee recommended that lawyers be brought under the civil-service system. There has been a controversy over the manner of examination.

In connection with the first appropriation made to carry out the plan advocated by a majority of the special committee, provision was made for a board of legal examiners, but the Appropriations Committee of the House pointed out that they would decline to appropriate further until the legislative committees of the Houses of Congress had acted upon the matter, and a bill had been passed which would authorize the creation of a board of legal examiners. Since that time the House has passed and authorized the creation of a board of legal examiners. When the bill reached the Senate, the Senate committee turned it down. Therefore at the present time the lawyers are being examined by the regular agencies of the Civil Service Commission, with the members of the board of legal examiners acting in an advisory capacity, thereby giving the Commission the benefit of their advice, but not controlling their final action.

If, however, the appropriations bill contains this provision abolishing even that form of examination, then the appropriations bill itself will abolish all examinations for lawyers. This would be contrary to the recommendations of the Reed committee, and would result in the return of lawyers to a patronage basis, making impossible the application to them of the veterans' preference provisions already in the statutes.

For years there have been some lawyers who have been chosen through civil service examinations. They would no longer be chosen under civil service procedure. The amendment would also eliminate the services of lawyers more recently placed under the civil service. Therefore I believe this provision should not be approved in the pending bill, because it has not yet had the approval of the legislative committee of the Senate, and I believe that on the merits it is not sound to abolish all civil-service examinations for lawyers in the Federal service.

Mr. McKELLAR. Mr. President, this provision does not interfere with the civil-service status of lawyers already in the service. It merely provides that no

part of the money herein appropriated shall be used for the purpose of conducting such examinations.

Mr. BURTON. Mr. President, will the Senator yield a moment?

Mr. McKELLAR. Certainly.

Mr. BURTON. I did not mean to say it would affect those already in the civil service, but it would affect any new applications for appointments to positions in the Federal service which for years have come under civil-service examination procedure.

Mr. McKELLAR. It would affect them. The Senator will recall that there was great doubt on this question in the minds of the members of the first committee appointed. Mr. Justice Reed and some of his associates looked at the matter one way, and some the other way. The fact is that the legislative committee of the Senate did not act on the subject, did not present it to the Senate, and it has not been presented to the Senate, and we are merely going along getting lawyers for the Government selected by civil service.

To my mind, it would not have been possible to choose a way more improper than by the ordinary civil-service examiner going into a town and undertaking to ascertain anything about a lawyer, in an effort to find whether he should be in the civil service or not. We have seen some of the results of that kind of procedure.

Furthermore, I have no doubt that if the provision proposed shall be agreed to, as it should be agreed to, the proper legislative committee will report a bill providing for a legal examining board, and that hereafter good lawyers will be secured through examination before that board.

Mr. BARKLEY. Will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. As I recall, when a year or two ago we passed a bill broadening the civil service, taking into the civil service nearly everyone in the Government employ, we exempted from the provisions United States district attorneys and their assistants.

Mr. McKELLAR. We did.

Mr. BARKLEY. On the theory that the best way to select a good lawyer was not to put him through the ordinary civil-service examination.

Mr. McKELLAR. The Senator is exactly correct.

Mr. BARKLEY. Which might not always reveal a man's capacity for dealing with the duties of a legal position.

I do not know that the lawyers chosen in the manner now provided are required to go up against the ability of the bar in the trying of cases in court, as in the case of United States attorneys and assistant attorneys, but I imagine that perhaps some of them are. I do not wish to have the legal profession assume that the appointment of lawyers is a matter of patronage.

Mr. McKELLAR. Nor do I.

Mr. BARKLEY. I think that would be most unfortunate.

Mr. McKELLAR. I think a board should be appointed in the Department of Justice.

Mr. BARKLEY. I think there should be a legal examining board somewhere to pass upon the qualifications of applicants, and pass upon them in the light of the special ability required of lawyers to do given jobs. If I can feel sure that that will be done in the regular way, whether in the pending bill or in some other measure, I shall be inclined to vote for the amendment.

Mr. McKELLAR. I shall do everything in the world possible to have a board legally established, and with the proper grade of employees, to examine lawyers, so that the very best possible attorneys may be obtained for Government work.

Mr. CLARK of Missouri. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. I shall vote for the Senator's amendment, because I do not think the Civil Service Commission is in any way competent to pass on the qualifications of lawyers. But I hope the Senator will pursue the suggestion made by the Senator from Kentucky and the suggestion he himself has just made, because I am frank to say that I am no better satisfied with Justice Frankfurter selecting all the lawyers in the Government than in having the Civil Service Commission select them. I think there should be some board somewhere competent to pass on the qualifications of lawyers.

Mr. McKELLAR. I think so.

Mr. CLARK of Missouri. I am not satisfied with either the Civil Service Commission or Justice Frankfurter.

Mr. McKELLAR. I thank the Senator for his suggestion. Unquestionably, in my opinion, the amendment should be agreed to. I can only say to the Senate that I shall use my best endeavors to see that a legal board of examiners is established, one which can select properly qualified lawyers to provide for the Government's necessities.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. BURTON. Mr. President, I ask for the yeas and nays. This is a substantial matter, one of importance, and I think we should have a yeas-and-nays vote on it.

The yeas and nays were ordered.

Mr. McKELLAR. Mr. President, I may say before the vote is taken that the vote is on the committee amendment, and those who desire to sustain it, and not have lawyers examined by the Civil Service Commission, will vote "yea." I hope the amendment will prevail.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, beginning in line 18, on page 9. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I do not know how he would vote on this question if he were present. I transfer my pair to the senior Senator from Nebraska [Mr. BUTLER], and will vote. I vote "yea."

Mr. HAYDEN (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. NYE]. I understand that if he were present, he would vote as I intend to vote. Therefore I am at liberty to vote. I vote "yea."

Mr. WAGNER (when his name was called). I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Illinois [Mr. LUCAS]. I am not advised how he would vote if present and voting. I vote "nay."

The roll call was concluded.

Mr. HILL. The Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Washington [Mr. BONE], and the Senator from Oklahoma [Mr. THOMAS] are detained in various Government departments on matters pertaining to their respective States.

The Senator from Montana [Mr. MURRAY] is detained in a committee meeting.

The Senator from Maryland [Mr. TYDINGS] has been called from the Senate to attend an important conference. I am advised that if present and voting, he would vote "yea."

The Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], and the Senator from Massachusetts [Mr. WALSH] are detained on public business.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Indiana [Mr. JACKSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from Maryland [Mr. RADCLIFFE], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Washington [Mr. WALLGREN], and the Senator from Missouri [Mr. TRUMAN] are absent on official business.

Mr. WHERRY. The Senator from Minnesota [Mr. BALL], the Senator from Nebraska [Mr. BUTLER], the Senator from Oregon [Mr. GORDON], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], the Senator from Kansas [Mr. REED], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

I am advised that the Senator from Nebraska [Mr. BUTLER], and the Senator from Oregon [Mr. GORDON] would vote "yea" if present.

The result was announced—yeas 49, nays 15, as follows:

YEAS—49

Andrews	Connally	Johnson, Colo.
Bailey	Davis	Kilgore
Bankhead	Eastland	McCarran
Barkley	Ellender	McClellan
Bridges	George	McFarland
Brooks	Gillette	McKellar
Buck	Gurney	Maloney
Bushfield	Hatch	Millikin
Byrd	Hawkes	O'Mahoney
Capper	Hayden	Overton
Clark, Mo.	Holman	Revercomb

Robertson	Thomas, Utah	Wherry
Russell	Tobey	White
Shipstead	Tunnell	Willis
Stewart	Walsh, N. J.	Wilson
Taft	Weeks	
Thomas, Idaho	Wheeler	

NAYS—15

Alken	Danaher	Langer
Austin	Downey	Mead
Brewster	Ferguson	Pepper
Burton	Hill	Vandenberg
Clark, Idaho	La Follette	Wagner

NOT VOTING—32

Ball	Guffey	Reed
Bilbo	Jackson	Reynolds
Bone	Johnson, Calif.	Scrugham
Butler	Lucas	Smith
Caraway	Maybank	Thomas, Okla.
Chandler	Moore	Truman
Chavez	Murdock	Tydings
Cordon	Murray	Wallgren
Gerry	Nye	Walsh, Mass.
Glass	O'Daniel	Wiley
Green	Radcliffe	

So the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the heading "Federal Communications Commission," on page 11, line 18, before the word "maintenance", to strike out "purchase (not to exceed seven"; in line 20, after the word "expenses", to insert "not to exceed \$39,000"; and on page 12, line 2, after the word "amended", to strike out "\$2,209,000" and insert "\$2,000,000."

The amendment was agreed to.

The next amendment was, on page 12, line 18, before the word "not", to strike out "not to exceed 20 passenger-carrying automobiles."

The amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. James A. O'Leary, late a Representative from the State of New York, and transmitted the resolutions of the House thereon.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2836) to grant increases in compensation to substitute employees in the Postal Service, and for other purposes.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 13, line 1, before the word "Provided", to strike out "\$4,491,143" and insert "\$4,191,143."

Mr. MEAD. Mr. President, I have an amendment—

Mr. BARKLEY. Mr. President, may I inquire whether the amendment in line 2, on page 12, was agreed to?

The PRESIDING OFFICER. The amendment was agreed to.

Mr. BARKLEY. That amendment is involved with the amendment which the Senator from New York now proposes to offer.

Mr. MEAD. I have an amendment, Mr. President, which covers that matter.

Mr. BARKLEY. The committee amendment having been agreed to when it was reached, and it being involved in the same situation as the amendment which the Senator from New York proposes to offer on page 13, I think the vote by which the committee amendment on page 12, line 2, was agreed to should be reconsidered so the whole subject may be considered together.

Mr. MEAD. Mr. President, I have referred to only one amendment, but I think the Senator is absolutely correct.

Mr. BARKLEY. We cannot agree to an amendment and then later agree to another amendment which nullifies our action on the first one. Therefore, Mr. President, I ask unanimous consent that the vote by which the amendment on page 12, line 2, was agreed to, be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MEAD. Mr. President, I am about to offer an amendment which I trust will be given consideration by this body, and which affects the various reductions which have been made both by the House and the Senate committee in the appropriation for the Federal Communications Commission. The amendments by which the House reduced the appropriation for this agency includes the following: \$1,000,000 from the Radio Intelligence Division; \$500,000 from the Foreign Broadcast Intelligence Service; \$113,607 for new positions requested; \$21,897 for the Personnel Division; \$19,353 for the Budget and Planning Division.

The Senate committee further reduced the appropriation by \$209,000, which is recommended to be taken from the regular appropriation to be applied to unspecified activities, and \$300,000 from the national defense appropriation to be applied to unspecified activities.

Altogether, the total reductions resulting from the seven Senate committee and House amendments amount to \$2,163,857.

Mr. President, at this point I send to the desk and offer an amendment on page 13, line 1. I propose that in lieu of the matter proposed the figure "\$6,146,000" be inserted, as against "\$4,191,143." I should like to have the clerk read the amendment for the benefit of the Senate.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 13, line 1, in lieu of the matter proposed to be inserted by the committee amendment, it is proposed to insert "\$6,146,000."

Mr. MEAD. Mr. President, if the amendment is adopted there should also be adopted an amendment to the committee amendment on page 12, line 2, namely, the figure "\$2,000,000" in line 2 should be stricken out, and the figure "\$2,209,000" inserted in lieu thereof.

I shall discuss the entire question now, and then shall return first to the amendment on page 12, and later to the amend-

ment which I have offered, which encompasses practically all the amendments.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I promised to yield first to the Senator from Washington. I yield now to him. Next I will yield to the Senator from New Hampshire.

Mr. BONE. Mr. President, before the Senator explains the purport of his amendment I should like to understand one matter clearly. I understand that the Senator from New York has indicated that the total reduction in the appropriation for this agency, both as the result of the Senate committee action and as the result of the House action, is approximately \$2,000,000. Is that correct?

Mr. MEAD. That is correct.

Mr. BONE. That figure includes the \$500,000 cut recommended by the Senate committee; does it?

Mr. MEAD. Yes; approximately.

Mr. BONE. I wish to have that point made clear, so that as we approach this matter we shall understand that the Federal Communications Commission has had \$2,000,000 cut from its budget by the action of the House and of the Senate committees.

Mr. MEAD. That is correct.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BRIDGES. In effect, what the Senator's amendment would do would be merely to add \$2,000,000 more to the funds which will be used by an agency which, as has been clearly shown in the Appropriations Committee hearings, is duplicating the work of other agencies, and which is opposed by the War Department, the Navy Department, and other departments which have the winning of the war under their direction. Is that not correct?

Mr. MEAD. It is not.

Mr. BRIDGES. Very well; I ask the Senator to explain why.

Mr. MEAD. That is what I was about to do when the Senator asked the privilege of the floor, in order to tell me where he stood. If I may have the patience and the attention of the Senator, I shall do my best to explain why I have offered the amendment.

Mr. BRIDGES. The Senator will not convince me; I assure him of that.

Mr. MEAD. I should like to have the Senator's patience and forbearance until I explain what I have in mind.

Mr. BRIDGES. Certainly, but in this matter I shall go along with the recommendations of the men who are handling our part in the war.

Mr. MEAD. That is fine. I am very glad to have that information.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. MEAD. I am glad to yield to the distinguished majority leader.

Mr. BARKLEY. Since the Senator from New Hampshire is going along with the recommendations of the War Department and the Navy Department, it might be pertinent to suggest that the President of the United States, to whom those suggestions were made, did not go along, but declined to transfer this activity from the Federal Communications Commission to

them, for reasons which he stated in his letter.

Mr. MEAD. And the high-ranking military officer in charge of our Signal Corps, after an investigation of the subject, made a very commendable report on the activity of this agency.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I am very glad to yield to the distinguished acting chairman of the Appropriations Committee.

Mr. McKELLAR. I wish to say that it was the opinion of the committee that there was a difference of opinion between the President and the Secretary of War and the Secretary of the Navy, and that, as a matter of fact, it was shown that this work is done by the Army and the Navy, and it was undoubtedly shown that there was duplication. We gave Mr. Fly 2 or 3 days before the committee to establish his claim, with maps, plans, specifications, and testimony. I am sure the Senator will recall that he was given every possible opportunity to submit reasons why there was no duplication. Such reasons were never presented to the committee. I do not think anyone would deny that there is duplication.

Mr. MEAD. I know that the distinguished acting chairman of our committee gave Mr. Fly unlimited time; and I am sure he would satisfy Mr. Fly a little better if he gave him less time and more money to operate the agency.

Mr. McKELLAR. I am sure of that.

Mr. BONE. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BONE. I do not wish to guide this discussion into other channels, but I was tremendously intrigued by the statement of my friend from New Hampshire [Mr. BRIDGES]. I hope he will come closer while I delicately suggest a little fact of Senate history to him.

My able friend from New Hampshire suggested that in this matter he wished to follow the advice of the executive heads of the defense departments, the Army and Navy. I assume that he feels that their judgment is not to be challenged, and that the infinitude of their wisdom and the plenitude of their powers are such as to induce immediate compliance on our part with their suggestions.

Let me say to my good friend that a few years ago in the Senate—and I think he was then a Member—I made bold to rise on the floor of the Senate and to defend a proposal which I had introduced in the form of a bill. At that time, when war clouds were hovering ominously over the world, and every sane person knew that there was a strong possibility of this country being inconveniently plunged into war, I was deeply impressed with the belief that war was near. I then suggested to my Senate brethren that we immediately expand our arsenals and navy yards to such a degree as at least to be able to take care of the peacetime needs of the country. This would have given us a great back-log of preparedness in the way of

new and vitally needed equipment and war facilities.

I proposed that we at once get rid of all the old machinery, old buildings, and old equipment, and modernize our arsenals and navy yards. I suggested, furthermore, that we lay in an enormous stock of jigs, dies, tools, and machine fixtures, and store them in warehouses, so that on a moment's notice we could tool factories and arm this country to the teeth. Men connected with the machine-tool industry came to me at that time and said that that would be manna from heaven for them. Thousands of machinists were walking the streets. They would have been more than glad to have jobs producing vital machine tools. I wanted to see the machine tools fabricated and stored in warehouses so that if we should be plunged into war, as we finally were at Pearl Harbor, we could proceed to arm the country overnight by putting those machine tools to work immediately.

I now ask the Senator from New Hampshire who he thinks opposed that proposal? Perhaps he knows.

Mr. BRIDGES. I do not know.

Mr. BONE. I am curious to know what sort of a guess he would make as to who opposed what I then thought and now know was a very sound and patriotic proposal. I wanted my country armed.

Mr. BRIDGES. Based upon my experience in 1937, when, in conjunction with the then Senator Berry, of Tennessee, I introduced a bill to prohibit the shipment of scrap iron and steel to Japan, which was opposed by the administration and by certain appeasers in this country, I should say that probably it was the administration which opposed the Senator's proposal.

Mr. BONE. Let me digress to say to my good brother from New Hampshire that if he can find any Member of this body more eager in his efforts to stop that sort of business and more eager to suppress men who were making money out of that bloody kind of traffic than his humble friend from Washington I wish he would name him.

I have repeatedly stood on this floor and with a fervor that registered 800 in the shade denounced arming our potential enemies. I saw millions of tons of scrap steel going through the ports of the Pacific coast to arm Hirohito and give him a navy that now menaces this Republic. I saw oil, and many other things going to Japan, and I denounced such traffic as a vicious thing. The same thing was true about our helping to arm Germany. But businessmen in this country were making money out of it. It was officialdom in the Army and Navy which objected to my proposal to arm this country long before the war hit us, by bigger and better arsenals and navy yards. My machine-tool proposal fell on deaf ears.

So when the Senator says to me that the Army and the Navy are opposed to something, I merely refresh his memory by some interesting sidelights on this war picture. If my advice had been followed at that time, we should have had arsenals and Navy yards with vastly increased capacities. We should have had

great stocks of machine tools stored away so that we would not have run into the machine-tool bottleneck which we experienced when war hit us.

This is not an argument against the Army and Navy leaders, but it is at least a persuasive argument, in my judgment, against the impeccability of their views. I will not accept the view of any department as a finality. There is no such thing. What our businessmen sold to Hitler and Hirohito is now coming back to us in bloody "bundles for America."

I think the Federal Communications Commission has done a good job in this war. I know that it has done a good job in monitoring and chasing down the elusive shadows of dangerous ideologies and important foreign broadcasts. I do not believe we should indict the Commission's work as being something not worth while. It has made a valuable contribution to our war effort. No one knows how many boys' lives may have been saved by its efforts.

Mr. BRIDGES. Let me ask the Senator from Washington who he thinks is better qualified to say whether or not the Federal Communications Commission has been rendering good service in aid of the war effort—the War and Navy Departments, or the Senator from Washington and the Senator from New York?

Mr. BONE. I think there is room in this pattern of war for exactly what the Federal Communications Commission has been doing, and I cannot agree with the Senator that because the War and Navy Departments object to something, that position is necessarily sound. I think our experience has demonstrated that it is not. The Senator is not accurate in saying that the War and Navy Departments are a part of this political administration. Those Departments are largely headed by West Point and Annapolis men, many of them prominent Republicans. The heads of these two Departments are also old-line Republicans.

Mr. REED. Mr. President, I appreciate this contribution. I wish to take this opportunity to insert in the RECORD some information which will indicate that some of the authorities interested in the prosecution of the war, including the Commander in Chief himself, have passed on this question and have approved the position taken by the Federal Communications Commission, and have commended that agency for its splendid services and for its cooperation with the agencies of Government having to do with the war.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield for a question.

Mr. BRIDGES. Does the Senator say that Mr. Roosevelt, to whom he refers as Commander in Chief, is running the war, or that General Marshall, Secretary Stimson, Admiral King, and Secretary Knox are running it? Have we political domination in conducting the war, or are the military and naval chiefs conducting it?

Mr. MEAD. Mr. President, I do not know whether this is a collection of "\$64"

questions, or whether it is merely another evidence of the impatience of my distinguished colleague. At the outset I said that I would try to answer him. I did not have an opportunity to do so. I again stated that I would take the floor, deviate from my prescribed course, and answer the Senator, when, lo and behold, I was inundated with another flood of questions. Now, if I start to answer those questions, I trust that I shall enjoy the patience of my colleagues until I shall have answered them.

Mr. BRIDGES. I wish the Senator would start with the last question, because it is fundamental. Are the Army and Navy chiefs conducting this war, or do we have political direction from the White House?

Mr. MEAD. There is evidently no political association so far as the Secretary of War or the Secretary of the Navy is concerned. The Senator would not admit that there is any political affiliation so far as either the Secretary of War or the Secretary of the Navy is concerned. Of course, they are above politics; but I take it from the Senator's statement that there may be some politics so far as the Commander in Chief is concerned. I am only trying to discern the inferences in the Senator's statement.

Mr. BRIDGES. I do not believe that the Secretary of War, the Secretary of the Navy, and their chiefs of staff, and the various generals and admirals are playing politics. They are trying to win the war. I want Mr. Roosevelt to let them conduct the war, without interference and I do not want to see him on an issue like this go over the heads of those in actual direction of the Army and Navy.

Mr. MEAD. Therefore, it is the Senator's opinion that so far as the Secretary of the Navy, Mr. Knox, and the Secretary of War, Mr. Stimson, are concerned, there is absolutely no politics whatever, but that so far as the Commander in Chief is concerned there is altogether too much politics. I am very glad to have that information because it will have some effect on what I am trying to say.

Mr. President, the statement was made that there was duplication, that all this work was done by the War Department. I wish to say in connection with that suggestion that when the House cut the appropriation by \$1,000,000, on the sole basis that the Commission was engaged in military radio intelligence work which duplicated the work of the armed forces, the record did not support that position. The record indicates that the Commission is not engaged in radio intelligence of a military character. It is not engaged in a work of a military character. That is left entirely to the military. There is no duplication. Military radio intelligence is concerned with information as to the plans of the enemy and the disposition of its military forces insofar as that information can be intercepted by means of radio facilities.

In the early days of the war the inadequacy of our military preparation extended into the radio intelligence field. The Commission experts who were engaged in the job of guarding against

subversive, illegal radio operations were at that time urgently requested by both the Army and the Navy to lend them a helping hand. They did so. That was not duplication. It was an invitation which was extended at that time, and the Commission responded admirably.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. HILL. The Senator from New York has made the point I wanted to emphasize, namely, that the F. C. C. does not enter the field of military intelligence unless the Army or the Navy specifically requests it to enter that field in order to assist or to serve the Army or the Navy.

Mr. MEAD. That is correct.

Mr. President, as I said before, there is no duplication. There have been in times past, and there may be in the future, isolated cases of the armed services requesting the Commission to do a specific job. Only when it is requested to do so, only when it is invited to do so, will it join in the task assigned to it by the Army and the Navy. But, certainly, that does not involve duplication.

Mr. McKELLAR and Mr. TOBEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield, and if so, to whom?

Mr. MEAD. I yield first to the acting chairman of the Appropriations Committee [Mr. McKELLAR].

Mr. McKELLAR. Mr. President, I wish to say that if that is all this agency is going to do, the appropriation requested is a tremendous price to pay. Both the Army and the Navy have a perfect system of monitoring, radioing, and doing all this work themselves. As the Senator will remember, the Chief of Staff of the Army, General Marshall, and the Chief of Naval Operations, Admiral King, entered into an agreement that they would take over the whole thing. But that agreement died. So, as a war effort, if the Chief of Naval Operations and the Chief of Staff of the Army can not be trusted to say what should go in, I do not see how anyone else could. However, for the Federal Communications Commission to set up an additional establishment for the purpose of rendering a service to the Army and the Navy, when the Army and the Navy have given the most perfect service of that kind in the world, would seem to me to be duplication. I merely wished to call the Senator's attention to those facts.

Mr. MEAD. I am very glad the distinguished acting chairman of the Appropriations Committee has called my attention to those facts; but I believe that upon review, while we should like to have it understood and universally acknowledged that the Army and the Navy have this all-inclusive service which the Senator claims, namely, this monitoring and radioing service, it will be found to be a fact that the Army and Navy must occasionally depend upon the Federal Communications Commission for the performance of certain tasks, military in character, which are assigned to the Federal Communications Commission as a result of the fact that for a long period of years, from the very be-

ginning of the use of radio, they built up the organization. They have the experts. They are capable of performing the service required. They have sufficient manpower to do certain types of work which the military is not equipped to do.

Another point is that it is the Federal Communications Commission, not the military, which does the monitoring of broadcasts coming from enemy countries. It is the United States Federal Communications Commission which does the policing of the United States radio network. If there is any subversiveness by means of the radio, if there is an agent representing any foreign country, either in the United States or in any of its Territories, who uses the radio, it is the Federal Communications Commission which runs him down and brings him to justice. So the Federal Communications Commission has a monitoring service. The Federal Communications Commission has its own radio espionage service. The Federal Communications Commission has its all-embracing radio police service, while the military has a distinctly military service which has to do with the movement of troops, and the military actions of the enemy nations. So there is no duplication.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. MEAD. I am very glad to yield to the Senator from New Hampshire.

Mr. TOBEY. I thank the Senator. Is the Senator from New York familiar with a letter to the Secretary of the Navy, Mr. Knox, written by Admiral Leahy on February 1, 1943, and later concurred in by the Secretary of War, Mr. Stimson, and which was later endorsed by a letter to the President of the United States, signed by Secretary Stimson and Secretary Knox?

Mr. MEAD. Yes; I have a copy of both those letters, and I have a copy of the President's reply to them.

Mr. TOBEY. I also have a copy of the reply.

Mr. MEAD. Yes.

Mr. TOBEY. I am trying to reconcile the various statements which the Senator has made. Of course, I know that we accept at par all that he says, but we are all apt to err. In the letter sent to the President of the United States by Secretary of War, Mr. Stimson, and the Secretary of the Navy, Mr. Knox, reviewing the situation from a military standpoint, and citing the powers which the F. C. C. is now exercising, they came to the conclusion that those powers should be transferred to the Army and the Navy for better prosecution of the war. I quote one paragraph of the letter:

In view of the foregoing it is concluded that the better prosecution of the war will be served by terminating all military and quasi-military radio intelligence activities of the Federal Communications Commission and confining such activities to the Army and Navy.

Is the Senator familiar with that quotation? There is a definite statement that the better prosecution of the war will be served by the transfer of these facilities from the F. C. C. to the Army and Navy. That letter went out on February

4 to the President of the United States. For many months it went unanswered. It was written on February 4, but it was September 7 before an answer was received from the White House—7 months. The answer that came back to the Army and Navy from the Commander in Chief turned down the request which had been made and stated:

Your suggestion has been given careful study by the staff of the Executive offices. After full consideration I have determined that the transfer should not be made.

I shall not read the remainder of the letter.

So we have hanging in the balance like the sword of Damocles for a period of 7 months a great important issue which existed in the Army and Navy. In all that time no reply was made to the letter by the President and then he said he had made up his mind on the advice of the White House staff. Who does the Senator think composed the White House staff which turned down the request of the Army and Navy? I should like to have his professional opinion upon it.

Mr. MEAD. Is that the end of the question?

Mr. TOBEY. No; it is only series 1.

Mr. MEAD. I see.

Mr. TOBEY. The worst is yet to come.

Mr. MEAD. If I have an opportunity to answer the question, let me say that it is my understanding that the Secretary of War and the Secretary of the Navy wrote the letter to the President without a personal investigation, so far as they were concerned, into the subject matter contained in the letter. They in turn wrote the letter for someone who brought the matter to their attention. The President of the United States, the Commander in Chief, however, discussed the matter with every agency of the Government involved and with the members of the military that are attached to the White House. He also discussed it with other military officers. In his widespread consideration, he referred it from one agency to another, and when the matter was thoroughly considered he brought it to the attention of the Secretaries in the letter which he wrote. If the Senator will let me read from the President's letter it will be only fair, in view of the fact that I let the Senator read in my time from other letters.

Mr. TOBEY. I shall be very glad to have the Senator do that, but may I interpolate a question?

Mr. MEAD. Mr. President, I desire to read from the President's letter.

Mr. TOBEY. Did that conference with the President take in the distinguished military genius, Harry Hopkins?

Mr. MEAD. Mr. President, I want to be very courteous, and I will ask my distinguished colleague to allow me to conclude my answer.

Mr. TOBEY. I acknowledge my error.

Mr. MEAD. With that in mind, I want to read from the President's letter just as the Senator read from letters directed to the President. This is a letter directed by the President to the Secretaries. I quote from the President's letter:

DEAR MR. SECRETARY: This is in response to your letter of February 8, 1943, signed by you and Secretary Stimson—

This letter is addressed to Secretary Knox—

proposing an Executive order transferring the radio intelligence functions of the Federal Communications Commission to the War and Navy Departments. Your suggestion has been given careful study by the staff of the Executive offices. After full consideration I have determined that the transfer should not be made.

The work of the Radio Intelligence Division of the Commission was founded upon the long existing radio-monitoring functions carried on by the Commission as a part of its essential peacetime work. The need for the expansion of these functions was brought to my attention prior to our entry into the war and I approved the general set-up.

So this was the second time the President went into it.

Quoting the President's letter further:

Expansion has been made to meet the wartime needs of the Commission itself and of other agencies of the Government.

Continuing the President's letter, I read:

The Radio Intelligence Division serves important wartime needs of several of the civilian Government agencies in the radio intelligence field, including the State Department, the Federal Bureau of Investigation, the Office of Censorship, the Bureau of Economic Warfare, the Weather Bureau, the Coordinator of Inter-American Affairs, and others. In addition—

The President goes on to say—

I understand that the Commission stands ready to perform for the Army and Navy such services as are expressly requested by them. The Commission and its Chairman have expressed to me their desire to cooperate with the Army and Navy in every possible way.

I quote further from the President's letter:

It is my desire that matters of the kind presented by the present proposal be dealt with at the outset by conferences between the interested agencies. If differences should occur, the matter should be reviewed by the Board of War Communications, which is the responsible interdepartmental body I have charged with the responsibility in the field of wartime communications.

So the President concludes by setting up a system whereby all these matters of interest to so many departments can be thoroughly discussed and ironed out.

Now I shall be glad to yield to the Senator from New Hampshire.

Mr. TOBEY. In response to the Senator's last statement that the President was setting up this agency to adjudicate these matters, let me point out to the Senator that that is a matter of tweedledee and tweedledum. The F. C. C. is practically a one-man Commission. James Lawrence Fly dominates the Board. I know that to be a fact. The Board to which the Senator referred, the Board of War Communications to which to make appeals, is also dominated by James Lawrence Fly. So Mr. Fly acts in both capacities.

Now coming back to the statement of the Senator from New York—and I know he will realize that there is nothing personal in what I now say—he brings in a statement that attempts to justify the

President turning down Secretary Knox's and Secretary Stimson's request that these powers be returned to them, and he says to the Senate, in effect, that Secretary Knox and Secretary Stimson acted merely in a pro forma way, that some dummy in some office, some subordinate, put a letter before them which they signed without knowing the contents of the letter, and sent it to the President. That is what the Senator implied, did he not?

Mr. MEAD. I wish the Senator would withdraw that word. I said that the Secretaries did not make a personal investigation of the matter. I pointed out that the President went to great lengths in making a study of the matter. The President reviewed it twice. I infer that the Secretaries personally did not review it. I left the thought that the officers under them took the matter up and brought the letter to the attention of the Secretaries.

Mr. TOBEY. There are in Washington what are known as "dummies," and I have found them and so has the Senator from New York. I will, however, if the Senator wishes, substitute the word "subordinate."

The Senator, to me, seemed to imply that the letter was signed without their knowing the substance of it. Is that correct?

Mr. MEAD. I would not go that far.

Mr. TOBEY. How far?

Mr. MEAD. I said they sent a letter to the President and the letter was prepared for their signature by some very fine men associated with them in the Army and Navy.

Mr. TOBEY. They read the letter before they signed it, did they not?

Mr. MEAD. I would not infer that they did anything they ought not to do.

Mr. TOBEY. Let me read from the text of the letter which they wrote and to which they signed their names.

In view of the foregoing it is concluded that the better prosecution of the war will be served by terminating all military and quasi-military radio intelligence activities of the Federal Communications Commission and confining such activities to the Army and Navy.

There is a very definite statement, asking for the transfer, and after putting that in writing on February 4, some 7 months elapsed before they got an answer and the letter embodying the request of the Army and Navy, who are charged with prosecuting the war, was nullified. That is the net result.

Mr. MEAD. The chances are, if we went into it thoroughly, we would find that a very deep study was made, and we would also ascertain that, in view of the fact that a half dozen if not a dozen Federal agencies utilized these facilities, the use of this service is more effectively and efficiently carried out by the plan outlined in the President's letter after an exhaustive study was made, and is the best plan. That is my judgment. It may not be the judgment of my colleague, but, if it is not, I am sorry and I shall be glad to have his views.

Mr. TOBEY. I am sure the Senator will agree with me on one thing, namely, that the text shows, and the record

shows, that February 4 a letter was written to the President by the Secretary of the Navy, concurred in by the Secretary of War, and the answer came back under date of September 8. Does not the Senator agree to that?

Mr. MEAD. Yes; if the Senator will agree with me that during the intervening time there was a clear knowledge of the fact that the matter was being studied, there was conference after conference, a system was set up, and everybody knew the system was there, and, above all, the service was working, and working efficiently and effectively.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WHEELER. The Senator from New Hampshire has referred to Mr. Fly as dominating the F. C. C. I think the Senator will agree with me, however, that Mr. Fly is one of the ablest and most intelligent men in the public service today. He has had an extremely difficult job to perform, as every one who has had anything to do with the Federal Communications Commission ever since its beginning in the city of Washington knows.

I have served upon the Committee on Interstate Commerce of the Senate for about 20 years, and have been chairman for 10 years or so, and I know something of the work that a man who is Chairman of the Federal Communications Commission, or a member of the Commission, has to do. While I have not always agreed with Mr. Fly, indeed, I have violently disagreed with him at times, in my opinion he has been one of the most maligned men in public service in Washington during the last few years.

Mr. Fly has had one of the most difficult jobs to perform in this city. When it comes to regulating radio, and radio communications, and to dealing with those engaged in the industry, with all the selfishness displayed by them, one must recognize what an extremely difficult job the Chairman of the Commission has.

In regard to the particular matter now under discussion, my understanding is that it not only deals with the war effort, but the Commission furnishes information for various other departments in Washington. Is that correct?

Mr. MEAD. That is correct.

Mr. WHEELER. That was my understanding. Whether or not this particular service to the Army and the Navy has been most efficient, nevertheless, an organization has been set up, which possibly has been too large, but certainly there could not be any excuse for cutting it to the extent to which it has been cut in the appropriations, both in the Senate and in the House committees.

Mr. HILL and Mr. BRIDGES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and, if so, to whom?

Mr. MEAD. I yield to the Senator from Alabama for a question.

Mr. HILL. The Senator from Montana has had the most intimate insight into the work of Mr. Fly and the Communications Commission. He is now en-

gaged in hearings, I understand, which have been proceeding for some time, covering the work of Mr. Fly and the Communications Commission. There is no man who can speak with more authority about Mr. Fly and his work than the Senator from Montana, the chairman of the Committee on Interstate Commerce.

It seems to me the important feature is that the Joint Chiefs of Staff recommended that the activities and facilities under discussion be transferred to the Army and the Navy, but they did not recommend that the work be discontinued. Because their recommendation to transfer the work to the Army and the Navy was not adopted certainly does not mean that the work should be discontinued or that the Congress should now refuse to appropriate the funds with which to carry on the work. I think both the Joint Chiefs of Staff, as well as the Federal Communications Commission, recognize that the work must be done. The Commission is now doing that work, and the Commander in Chief and the Commission have asked Congress to provide the money with which to do this necessary war work.

Mr. BRIDGES. Will the Senator from New York yield?

Mr. MEAD. In a moment I shall yield.

The distinguished chairman of the Committee on Interstate Commerce, which committee has more to do with the Federal Communications Commission than any other committee of the Senate, with the exception of the Committee on Appropriations, made the statement that this agency probably aids a number of other agencies, and I wish to give him a correct answer as to the number of agencies it actually serves.

It can be seen that there is ample reason for the President's set-up when there are agencies which are both military in character and civilian in character which require the services of this one agency.

The Radio Intelligence Service serves important wartime needs of several of the civilian Government agencies in the radio intelligence field, including the State Department, the Federal Bureau of Investigation, the Office of Censorship, the Bureau of Economic Warfare, the Weather Bureau, the Coordinator of Inter-American Affairs, and other agencies. So there is ample evidence that there is reason for the set-up set forth in the President's letter. I desired to answer the Senator's question more fully by telling him of those agencies.

Mr. President, I wish to emphasize what my distinguished colleague from Alabama has said, and to add that the statement of the Senator from Montana relative to the Chairman of this Commission squares with my estimate of him. I think Mr. Fly is endeavoring to do a patriotic job, that he is deeply concerned with the well-being of the people of America, and is attempting to administer the affairs of his agency as capably as is possible. I am pleased to have this opinion coming from one who is so closely associated with the work of Mr. Fly and the Commission as is the distinguished Senator from Montana.

Now I am glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, does not the Senator think we are getting down to a rather fundamental issue, namely, who is running the war, whether the President in a political way is running it or whether the Army and the Navy are running it, whether the President is going to superimpose on the Army and Navy his will insofar as the Federal Communications Commission is concerned? Is not that a fundamental question?

Mr. MEAD. Mr. President, I do not suppose the Senator and I could ever get together on the question of the President's ability to handle not only the big war job he is called upon to administer but any other job. I have an idea, from what the Senator has said in the course of the debate, that he has a firm and fixed opinion. I am merely trying to point out that I believe the efficiency of the Federal Communications Commission and of other agencies will be better served if the appropriation that was approved by the Bureau of the Budget shall be restored. If that has anything to do with the President and his political affiliations, I do not recognize it, even though my distinguished colleague may.

Mr. BRIDGES. In other words, the Senator wishes to go on record as putting the President's say-so as to the Federal Communications Commission and their war intelligence work ahead of the opinion of the Combined Chiefs of Staff, ahead of the War Department, ahead of the Navy Department. In other words, he superimposes the political on the military in the conduct of the war. Is not that the fundamental issue here?

Mr. MEAD. That is not my position, and that is not the fundamental issue. If my colleague will wait until I complete the record, I believe I shall be able to produce a great deal of evidence which will indicate that high military authorities have time and again commended the Federal Communications Commission, so much so that we can all rely upon it to do a great job in the field where it has been developing experienced and expert personnel since the early twenties.

Mr. President, I have here a letter from Earle F. Cook, lieutenant colonel, Signal Corps. This was for the chief signal officer, is dated April 6, 1943, and reads:

SECURITY OF CIPHERS

SECRETARY, JOINT CHIEFS OF STAFF,
Washington, D. C.

Through: Commander G. B. Myers

1. In compliance with J. C. S. 138/3 dated December 1, 1942, subject: "Security of ciphers" and in accordance with the allocation of Government agencies made to the Army and Navy security sections respectively, the following summary of findings at the Federal Communications Commission is submitted:

- (a) Cryptographic security—excellent.
- (b) Physical security (cryptographic systems)—excellent.
- (c) Documentary and information security—excellent.
- (d) Qualification of personnel—excellent.
- (e) Cooperation was given fully and willingly.

2. In view of the above, it is considered that no concern need be felt over communications originating or passed in the Federal Communications Commission organization at this time.

3. The established contact between Signal Security Service and the Federal Communications Commission will be continued.

For the Chief Signal Officer.

EARLE F. COOK,

Lieutenant Colonel, Signal Corps.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. No, Mr. President; I must read another letter or two for the benefit of my distinguished colleague.

Mr. BRIDGES. Why does not the Senator tell the Senate who Mr. Cook is?

Mr. LANGER. Mr. President, will the Senator tell us what the word "cryptographic" means, the word used in the letter which the Senator just read? My distinguished colleague the Senator from New Hampshire and I do not understand what the meaning of that word is.

Mr. MEAD. While we are busy with the debate—

Mr. LANGER. Does the Senator want me to find out what the meaning of the word is and tell the Senator?

Mr. MEAD. I do not.

Mr. LANGER. I will look it up and tell the Senator what it means if he wants me to.

Mr. MEAD. It pertains to the deciphering of codes.

In reply to the request of the Senator from New Hampshire, let me say that Mr. Cook is a lieutenant colonel in the Signal Corps. He addressed the letter for the chief signal officer.

Mr. President, the second letter comes from William J. Donovan. That letter is addressed to the Honorable KENNETH MCKELLAR, chairman of the Appropriations Committee. William J. Donovan, by the way, is a high military authority, and one very closely associated with work of this character. He wrote:

We understand from a letter dated 18 February 1944, addressed to this office by the Foreign Broadcast Intelligence Service, that your committee is interested in learning of the manner in which the F. B. I. S. wire service is utilized by subscribers.

This Office is a subscriber to the Service. We receive daily, by ticker, transcripts of foreign broadcasts as recorded by the Service. These transcripts, which, of course, include those emanating from enemy and enemy-occupied countries, are used by us in two ways: First, they reveal the particular propaganda line being followed by the nation in question at any time. Second, they often reveal, unintentionally at times, bits of information which can be put together by our experts with facts derived from other sources to give us valuable political and economic intelligence concerning the enemy. We then turn such knowledge to our own purposes in carrying on the duties assigned to us by the Joint Chiefs of Staff.

I hope that this explanation of the manner in which O. S. S. uses the facilities of F. B. I. S. will be of assistance to the committee in its deliberations.

That is testimony that there is close cooperation and close harmony between the military and the Federal Communications Commission.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. Mr. President, I must read another letter from a high military authority so that we will be sure that it is not the President alone on one side and the Secretary of the Navy and the Secretary of War on the other side; that it is a question as to how this organization can best serve the best interests of all the agencies of government interested in the services they are able to furnish.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I shall yield as soon as I finish this letter, because it is in part an answer to one of the Senator's former questions.

Mr. President, this letter comes from the headquarters of the Seventh Air Force, the office of the Air Force commander. The subject of this letter is assistance rendered by Federal Communications Commission in locating lost airplanes. It is one of a large number of letters I have from military leaders, and it goes on to explain the very close teamwork that exists, the harmony that exists, and the effectiveness that is always evidenced whenever they are called upon to do a job.

Mr. President, when I finish reading this letter and several others I shall be very glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, will not the Senator explain—

Mr. MEAD. I shall yield, Mr. President, as soon as I finish this letter:

1. In the past months numerous calls have been made upon the Federal Communications Commission radio facilities to obtain bearings and fixes upon lost airplanes. These bearings and fixes have proven accurate and most helpful. In one particular instance on March 5, 1943, the assistance rendered by the Federal Communications Commission resulted in the prompt locating and rescuing of the crew of a bomber forced to land at sea. On another occasion, March 19, 1943, bearings received from the Federal Communications Commission assisted in locating a plane which was in imminent danger of being forced to land at sea. Largely as a result of these bearings this forced landing was averted.

2. Other instances too numerous to mention have occurred in which the assistance given by the Federal Communications Commission has been of inestimable value. The facilities of Federal Communications Commission have been, and still are, absolutely necessary to the successful operation of the Army's lost-plane procedure in the Hawaiian area.

3. I wish to commend the Federal Communications Commission and its men responsible for this assistance. It has been of great value and in numerous cases directly responsible for the saving of lives and valuable equipment.

WM. J. FLOOD,
Brigadier General, United States Army,
Chief of Staff.

Mr. BRIDGES. Mr. President, will the Senator yield now?

Mr. MEAD. I will have to read several other letters.

Mr. BRIDGES. I should like to ask the Senator one simple question.

Mr. MEAD. The Senator has asked me a number of questions, and I wish to read several letters in reply.

Mr. BRIDGES. Mr. President, there is a question I wish to ask the Senator which has a bearing on these letters.

Mr. MEAD. Mr. President, these letters have a bearing on a previous question asked of me by the Senator from New Hampshire, and I feel that I am inadequately answering the Senator's question unless I read one other letter. I will ask the Senator to be patient with me for a moment, and then I shall yield.

This letter is addressed to S. W. Norman, Acting Chief, N. D. O. Section, Federal Communications Commission, Washington, D. C. I believe this letter will bring to mind the quick, ready response and the very happy cooperation which exists between all these services.

This letter is in the nature of a blanket acknowledgment—

Think of that, Mr. President, a blanket acknowledgment.

This letter is in the nature of a blanket acknowledgment of the usefulness which your intercepts have been to Army radio security. A considerable number of intercepts which you have forwarded have indicated careless, superfluous or actually obscene transmissions made by Army radio stations. I wish to advise that each and every one of these cases, wherein it has been possible to trace the transmission to an Army station, has been thoroughly investigated and definite action taken to prevent recurrence. The results of these actions are already evident in the diminishing number of reports of improper operation.

Sincerely yours,

W. T. GUEST,
Lieutenant Colonel, Signal Corps.

Mr. BRIDGES. Mr. President, will the Senator yield now?

Mr. MEAD. Before I read another letter, Mr. President, I will now yield.

Mr. BRIDGES. I should like to have the Senator tell us exactly what proportion of the time of Mr. Fly and the Federal Communications Commission has been spent in the campaign or crusade to obtain these endorsements from minor Army officers all over the country? Why does not the Senator read a letter from Admiral Leahy? We all know his name. He is assistant to the President of the United States on military and naval matters. Why does not the Senator read the letter which Admiral Leahy wrote in 1943 to the Federal Communications Commission about how they were interfering with the war effort? Why does not the Senator read letters from General Marshall and Admiral King? Why read letters from lieutenant colonels and other minor officials who have been solicited to write letters?

Mr. MEAD. May I make the suggestion that the Senator from New Hampshire read them into the record in his own time?

Mr. BRIDGES. Very well. Will the Senator now answer the first part of my question, which is, How much time has the Commission spent in conducting the campaign to secure these endorsements?

Mr. MEAD. The Senator from New Hampshire probably wants the information detailed by days, weeks, minutes, and all other details?

Mr. BRIDGES. No.

Mr. MEAD. I have no way of tracing the activities of the Federal Communications Commission or any other commission with reference to matters of that

kind. I have many other letters here, letters which come from men high in governmental affairs. I have some very valuable endorsements. It was not my intention at the beginning of my remarks to read them, but, in attempting to answer the question, I read those letters. I do not know whether it took any time to obtain them. I do not know whether they were spontaneous. But if there are any further letters on that side of the subject, or any letters on the other side of the subject, I think my distinguished colleague should read them if he cares to have them in the RECORD.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Tennessee?

Mr. MEAD. I am glad to yield.

Mr. McKELLAR. As everyone knows, the distinguished junior Senator from New York [Mr. MEAD] is a member of the Appropriations Committee, and a very valuable one. I have the greatest respect for his views. However, I wish to call his attention to several things which he may have overlooked.

The first is that our committee has tried as hard as it was humanly possible to do, to meet every requirement for this war. We have appropriated every sum that the testimony has shown to be necessary. The Senator will recall that for this very year we appropriated \$28,000,000,000 more than the War Department has used, and the War Department is going to return it. The officials of the War Department are honest, and on July 1 they are going to return that money to the general fund of the Treasury. I commend them for their action.

As the Senator knows, our committee, the Senate, and the Congress wish to give the Army, the Navy, and the Marine Corps every opportunity in the world to win this war as quickly as possible. But when the Army officers and the Navy officers tell us they believe they are doing a work which an independent, nonmilitary agency is also doing, and when they say the performance of the work by the nonmilitary agency is unnecessary, it seems to me we should follow what is said by the highest officers we have, with the exception, of course, of the President, who is the Commander in Chief—and he is doing a fine job as President of the United States. However, the Chief of Staff of the Army and the Chief of Naval Operations have said that this activity by the Federal Communications Commission is virtually a duplication of what they are doing; and they have ample money with which to do their work. They have ample material. They have every material under heaven. They are obtaining and are giving out all the radio news. They tell us that their system is virtually perfect. I believe that system is today the most perfect system in the world. I really believe that the American radio system is the most perfect radio system in the world.

When we have those assurances from such high authorities, it seems to me that before we appropriate more than \$2,000,000 for a nonmilitary agency to maintain

a duplicate system, we should be very careful.

The Senator will recall that in the committee we gave the representatives of the Federal Communications Commission every opportunity in the world to present their case. They did so in the most elaborate fashion. By the way, Mr. President, their presentation was most interesting to me. The hearing was one of the most educational ones I have ever attended. It taught me more about radio than I ever knew before, and I was very happy about it.

Nevertheless, after all was said and done, the evidence was that the work done by the Federal Communications Commission's system was a duplication of the work done by our Army and Navy. For that reason, I wish to say that I hope no Member of the Senate and no one in the country will think that any member of the Appropriations Committee is not in favor of doing everything in the world and furnishing every dollar in the world that is necessary to help the operations of our Army, Navy, and Marine Corps in this great war.

Mr. MEAD. Mr. President, I desire again to state that there is no duplication, and that if this appropriation is not increased there will be a diminution of the service. The War Department and our military agencies maintain a service which has to do with the movement of enemy troops and matters of that nature. The service rendered by the Federal Communications Commission is a different one. It is a monitoring service. It is a service which ferrets out sabotage and espionage in this country and in territories belonging to this country. It is a service operating under a system which is already set up. If we take away \$1,000,000 from the appropriation for that service, \$1,000,000 worth of such work will not be done. It does not make any difference how much money we appropriate for the Army; that will have no effect on this work. We shall either have to have this work done by means of making appropriations for it or it will not be done.

There is no duplication. It is a distinct work done by the Federal Communications Commission under a system which is already set up, a system which is serving half a dozen agencies of the Government.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BRIDGES. The Senator is charging, then—

Mr. MEAD. Oh, Mr. President, the Senator should not say—

Mr. BRIDGES. Mr. President, the Senator should wait just a minute. He has yielded to me, and I had not finished my statement.

Mr. MEAD. But, Mr. President, I am not charging the Senator or anyone else.

Mr. BRIDGES. Oh, yes; the Senator is. The Senator has charged that the War Department and the Navy Department would close their eyes and would not carry on a very necessary war effort if the money referred to is not appropriated.

Mr. MEAD. Mr. President, without any argument, I deny that statement.

Mr. BRIDGES. Is not that what the Senator said?

Mr. MEAD. I deny that I said it.

Mr. BRIDGES. The Senator said that if the increased appropriation is not provided the service will not be performed. If it is necessary to the war effort, I say it will be performed, and the Army and the Navy will perform it.

Mr. MEAD. The Army and the Navy will do it if we authorize them to do it, and if we give them the money with which to do it, and if the system already set up is altered in such a way that they can do it. But when an agency is already set up to handle the work, at the instance of the President of the United States, we cannot expect the work to be done if we withdraw the appropriations with which that agency is to engage in that particular kind of work. Certainly the War Department will go on with its military activities, but the Federal Communications Commission will not go on with the services they are charged with the responsibility of rendering if we take away the necessary appropriations.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BARKLEY. Is it not true that the Federal Communications Commission now has many facilities, both mobile and stationary, through which it is engaged in the detection of spies and others who are attempting to convey information to the enemy, and that it is also engaged in many other activities which either would become ineffective or would have to be transferred to the War Department or the Navy Department, which would have to set up for themselves systems for performing such work?

Mr. MEAD. That is undoubtedly true. For instance, Mr. President, no other agency monitors foreign broadcasts. That is done by the Federal Communications Commission. The Commission is constantly listening to broadcasts emanating from enemy countries. That is its responsibility. If it needs a certain amount of money in order to do that work, and if we refuse to appropriate that money, it simply will not be able to do the work.

Mr. BARKLEY. There are hundreds or perhaps thousands of such broadcasts occurring each day, all over the world, and the Federal Communications Commission is listening to them and in that connection is interpreting broadcasts spoken in almost every language used in the world, and thus is obtaining information which may be invaluable to our Army and Navy and our other armed services.

Mr. MEAD. In order to show the situation more clearly, let me say that the Foreign Broadcast Service of the Federal Communications Commission is a war agency, and is the only agency of the Government charged with the responsibility of listening to and reporting on what foreign government propaganda lines are. Certainly, if we take away the appropriations for the Commission, it cannot do that work. The Federal Communications Commission has the sole responsibility of providing American war and diplomatic agencies with the moni-

tored results in such form and at such places as those users desire. Without proper appropriations, much of this work will come to a standstill. No other governmental department or agency is either equipped or trained to take over this work. A thorough check reveals not an iota of duplication of effort in the Government in this work.

The important question then arises, Who is to do this highly valuable work for the various governmental departments, such, for example, as the Foreign Economic Administration? I quote Mr. Leo Crowley:

Because the F. E. A. uses this essential service, I want to register our concern for its continuation.

The State Department wants the coverage extended. How can that be done if we curtail the appropriation?

The commanding general in Hawaii has the materials of this agency flown to him daily in bombers leaving San Francisco, and that is at his instance.

The letter of the Joint Chiefs of Staff, which is answered by the President, and the security survey of the Chief Signal Officer on behalf of the Joint Chiefs, had no mention to make of this phase of the communications activity.

For these reasons, Mr. President, I urge the restoration of ample funds for this work, for the sake of those governmental agencies, military and civilian, which require and utilize this vital service.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. HILL. I have looked through the hearings before the Appropriations Committee. If there is any statement or evidence in those hearings that the work which the Federal Communications Commission is doing is a duplication of work being done by other agencies—the Army, Navy, or any other agency—I should like to know where the statement or evidence is. I fail to find in the hearings any evidence that there is any duplication.

Mr. MEAD. Mr. President, there is no duplication.

Mr. HILL. Not only is there no duplication, but I can find nothing in the hearings, either in the form of a statement or testimony of any kind that even tends to show that there is duplication.

Mr. MEAD. The War Department has a similar service, and I want it continued. I would vote to increase its appropriation, because I value this kind of work. The Federal Communications Commission has a system which is not duplicating the military system, and unless we restore these appropriations we shall curtail its services which are so valuable to the military and civilian agencies of the Government.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. TUNNELL. I have understood from what the Senator has said that this Commission is doing certain war work. Was there any testimony before the committee which would justify the abandonment of this war effort which is being performed by the Commission?

Mr. MEAD. It is my opinion that there was no sufficient evidence that this

agency ought to be eliminated from the field or curtailed, as is proposed by the House Appropriations Committee.

Mr. TUNNELL. As I have understood the Senator, the Commission is doing certain war work which no other agency is doing or is authorized to do.

Mr. MEAD. That is correct; and in doing so, in my opinion, it is not duplicating any existing work.

Mr. TUNNELL. Then why, in the Senator's opinion, is it proposed to eliminate this work? Is it because the Appropriations Committee has determined that the war effort is too great, and that a part of it should be curtailed? What is the purpose?

Mr. MEAD. There is an honest difference of opinion existing among the members of the committee. I am convinced that it would be a serious mistake, and that it might imperil the war effort, if we were to reduce the effectiveness of this agency. I think it is rendering a very valuable service on the psychological warfare front and otherwise, in running down spies, in discerning the activities in foreign countries, in conducting a monitoring service, in preventing the loss of planes in rescuing the crews of other planes. It is doing a remarkable job in a number of instances, and I hope it will be continued.

Mr. TUNNELL. Curtailing these appropriations would result in the curtailment of certain war efforts, would it not?

Mr. MEAD. That is correct.

I should like to add to the RECORD the names of some of those who have written recommending a continuance of this service.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WHEELER. The question was asked a while ago as to how much time Mr. Fly consumed in obtaining these letters. Let me say to the Senator that I happen to know that Mr. Fly was attacked before one of the committees of the other House, and certain statements were made. I assume that when those statements were made he possibly asked persons who were familiar with the work he was doing to write letters. It will be recalled that he was not permitted to testify before the House committee in answer to the charges. I assume—and I think it is true—that he did ask certain persons in various executive departments who had been using the service to say what they thought about it, and these letters were in response to that request.

Mr. MEAD. I should have added at the time that perhaps in some cases the agencies were requested by Members of the House or by members of the Senate Appropriations Committee to communicate their views in the matter.

Mr. WHEELER. Some of these things may be duplications; some of this work may possibly be duplication; but there is a great deal of it which is not duplication. Can we divide it and say what part is duplication and what is not, when we are monitoring radio messages from all over the world? The War Department may be doing some of the same monitoring, but certainly it does not do

all the same work that this Commission does. The fact that one branch of the Government is doing some of the same work is no reason why we should eliminate the appropriation, because the Federal Communications Commission could not do the work it is doing without duplicating some of the work that is done by the Army. In other words, its work is broader.

Mr. MEAD. Yes.

Mr. WHEELER. I do not know whether it needs this particular amount of money; but I do not want to take the responsibility, at a time like this, for arbitrarily reducing the appropriation by cutting off one and a half million or two million dollars in the midst of war. Even though it were proved that there was duplication, it could not do any harm to have two separate agencies tracking down spies and determining what stations were operating in this country in violation of the law, or performing the many other duties which this Commission and the War Department are trying to perform.

Mr. MEAD. The more information we have on that aspect of the war, the better it will be for the successful prosecution and early termination of the war.

Mr. President, in a moment I shall be through for the present. I have read letters from the President of the United States; the commander in chief of the Army; from Brig. Gen. William J. Donovan; from the colonel acting for the chief signal officer; from Brig. Gen. William J. Flood, of the Office of Chief of Staff; from Lt. Col. W. T. Guest, of the Signal Corps; and from Lt. Col. Earle F. Cook, of the Signal Corps, for the chief signal officer.

I have a number of other communications, the signatures to which I wish to read into the RECORD. They include communications from those who have written letters complimentary of the work of the Federal Communications Commission. They include communications from Elmer Davis, Director, Office of War Information; Adolf A. Berle, Jr., Assistant Secretary of State; Leo T. Crowley, Administrator, Foreign Economic Administration; Carlos P. Romulo, colonel of Infantry; Francis A. Jamieson, Assistant Coordinator of Inter-American Affairs; T. L. Tsui, First Secretary of the Chinese Embassy; Jack Winocour, Director of British Information Services; a communication from L. W. Knoke, vice president of the Federal Reserve Bank of New York, addressed to Robert D. Leigh, Director of the Foreign Broadcast Intelligence Service; a communication from David L. Glickman, Acting Chief, Australia, New Zealand, and Afghanistan Section of the Foreign Economic Administration, who addressed a letter to the Chief of the Foreign Broadcast Analysis Division; also, a letter from William L. Langer, Director, Branch of Research and Analysis of the Office of Strategic Services. These are all commendatory letters.

I have a letter from S. N. Moore, captain, United States Navy, Administrative Office, Office of Naval Intelligence; one from Harold R. Shaw, lieutenant colonel, Army of the United States, district postal

censor; also, a letter from Lt. Gen. Robert C. Richardson, Jr., the commanding military officer in Hawaii. He commends the service very highly.

I have also a letter from Maj. Gen. George V. Strong, Military Intelligence Division of the War Department.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. HILL. General Strong is chief of all the intelligence services of the Army.

Mr. MEAD. That is correct. I wanted to read these letters because they are from lieutenant generals and major generals, from heads of departments, and from others concerned directly with the question. Here is one from Harley A. Notter, Chief, Division of Political Studies of the Department of State. Here is one from H. R. Stark, United States Fleet, United States naval forces in Europe. He is not a minor naval officer.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I shall yield in a moment.

Here is one from Robert C. Richardson, Jr., lieutenant general. That is considerable rank above a colonel. He is a lieutenant general of the United States Army, commanding the central Pacific area. At his insistence this service is flown to Hawaii every day by bomber.

Mr. President, before finishing I wanted to put those letters in the RECORD, and to say that some of them were written at the request of the Federal Communications Commission, and others perhaps at the request of interested Members of this body. However, they are all highly commendatory. They are from a number of agencies of Government, and from military officials of high rank.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I knew that my distinguished colleague, when he said I was quoting minor officers, would want me to quote from the statements of any other officers, and put them in the RECORD. As I have said, he probably will have an opportunity to do so when his turn comes.

I now yield to the Senator from New Hampshire.

Mr. BRIDGES. Did the Senator put into the RECORD any volunteered letters?

Mr. MEAD. I have no way of determining the interest of anyone who wrote. The letters are here. They were presented to our committee. I did not question any of the writers. I do not believe they were bludgeoned into writing and I presume they were writing of their own free will. I assume that when a major general, or the head of a great public agency, with a reputation for integrity behind him, writes a letter to a committee of the Congress he expects the committee to give the letter consideration, and I am sure he would not send it if the writing of it had been forced upon him as a result of expediency.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WHEELER. Certainly everyone who is acquainted with General Strong, who is the head of the Intelligence De-

partment of the Army, knows that he could not be bludgeoned into writing a letter for anyone.

Mr. MEAD. The Senator is correct. I would be impugning the motives of the writers of the letters to question them, and I do not wish to do so.

Mr. WHEELER. We all know that General Strong is one of the ablest and best men in the service.

Mr. MEAD. I would not even raise the issue. I take the letters at their face value because, as the Senator has said, these men have very responsible positions. The writer of this particular letter has a reputation for honesty and integrity which goes back to the day of his birth.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BRIDGES. If a request is sent to a certain subordinate official in the Army or Navy, or any of the governmental services, and that officer knows that his Commander in Chief, the President of the United States, feels strongly in the matter, does not the Senator believe that he would rather hesitate to refuse to write an endorsement?

Mr. MEAD. I know that a man of profound integrity would not.

Mr. BRIDGES. Very well. I will tell the Senator that certain individuals have written letters and made statements, and have had to take a position in public which they privately did not feel.

Mr. MEAD. There is no doubt about that. That may happen sometimes.

Mr. BRIDGES. The Senator knows it has happened many times.

Mr. MEAD. I have no knowledge of it insofar as this record is concerned.

Mr. President, I understand that we are not to have a vote on this question tonight. If that be true, I am willing to yield the floor.

Mr. McKELLAR. Mr. President, I understand there are other speeches to be made on this subject. I do not wish to take the Senator from the floor, but am willing to allow him to retain the floor when we recess over until Monday, which I understand to be the program. However, I should like to have him yield long enough for me to read a couple of telegrams into the RECORD dealing with an entirely different subject.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. MEAD. I yield to my distinguished colleague from Delaware.

Mr. TUNNELL. I wish to ask the Senator if he has any reason to suspect that any of the letters which he has read were not written in good faith.

Mr. MEAD. I know most of the men who wrote them. They would not write a letter that was not in good faith. These letters, in my judgment, are letters which can be relied upon. The information contained in them can be substantiated. They are letters which were given to a congressional committee as a substantial contribution to the work of the committee.

Mr. TUNNELL. And, so far as the Senator knows, there is no reason for anyone charging that any force was applied in having the letters written?

Mr. MEAD. I should be surprised if there were a scintilla of evidence that these men would yield to force of any kind.

Mr. TUNNELL. Then the Senator believes that the letters, whether written at the request of someone else or at the volition of the writers, represent the ideas of the men who wrote them so far as the Senator knows.

Mr. MEAD. That is correct.

Under the circumstances I am now very glad to yield to the Senator from Tennessee [Mr. McKELLAR] with the understanding that I shall have the floor again when this subject comes up.

Mr. McKELLAR. I thank the Senator. Mr. President, I expected that we would complete consideration of this bill today. I thought certainly we would reach the item known as the T. V. A. provision of the bill, but we have not reached it, and we are a long way from it.

I have before me a telegram from a constituent newspaper, together with my reply, which I wish to read, because I should like to have the truth known to the Senate and to the country.

Mr. President, I received the following telegram from Bill Hagan, city editor of the Chattanooga News-Free Press, concerning the T. V. A. The telegram was addressed to my secretary, and reads as follows:

CHATTANOOGA, TENN., March 14, 1944.
DON McKELLAR,

Care Senator K. D. McKellar:

We think Senator McKELLAR's viewpoints on some of the questions arising from the T. V. A. amendments would be interesting to our readers and their publication would give the Senator fair expression of his views. It is charged here by T. V. A. supporters that the amendments would cripple T. V. A., hurt its contribution to the war effort, and would be injurious to Chattanooga by moving personnel and offices to Muscle Shoals area. We invite Senator McKELLAR's full expression on these and any other pertinent matters including his purpose in sponsoring this legislation. Please wire collect soonest.

BILL HAGAN,
City Editor, Chattanooga
News-Free Press.

That is signed by Mr. Hagan.

Mr. President, that was a very proper inquiry, I thought, and I wired immediately to the Chattanooga News-Free Press, as follows:

Your telegram this date received. I shall be happy to give you my viewpoint on the Tennessee Valley Authority amendments. The statements made by Lillienthal or others that these amendments would cripple or destroy the Tennessee Valley Authority or hurt its contribution to the war effort or hurt it in any other way are wholly without foundation in fact. These amendments are all intended and will help to make a more honest, a more economical, a more effective, and a less political organization out of the Tennessee Valley Authority. They will simply require honesty and integrity in administering the greatest governmental institution that ever came to Tennessee.

I stop the reading long enough to say that one of these directors continually charges that I am opposed to the T. V. A. Let me say to my colleagues that in my own judgment I built the T. V. A. of Tennessee. I was instrumental in getting all the appropriations; and it takes money to build such plants. For that

reason I do not think I can be successfully charged with being opposed to it when the contrary is the truth. That by way of parentheses.

I have devoted the best years of my life and the best abilities of which I am capable to the building of the Tennessee Valley Authority. I was fighting vigorously for the Tennessee River dams when Lillienthal was a boy in school.

My distinguished colleague, the Senator from Kentucky [Mr. BARKLEY] sitting by me, asks in an aside whether he was in short pants. [Laughter.] I do not know whether he was in short pants, but he was a boy in school when I was here on this floor fighting, against the most tremendous odds, to get an appropriation to start the Wilson Dam at Muscle Shoals.

I am just as strong for it as I ever was. I got most of these dams built, notably the Chickamauga in which Chattanooga is so much interested, the Hiwassee and Guntersville Dams nearby which were built over the joint personal and lobbying opposition here in Washington of both Lillienthal and Arthur Morgan.

I digress there to say that I had to notify them to get out of town or that I would denounce them on the floor of the Senate for lobbying. I had a man at the depot that afternoon at 4 o'clock, and they were there and took the train at 4 o'clock.

At that time they were obsessed with the idea that T. V. A. was not to go into competition with private power companies, but should just produce enough power to be used as a yardstick to show the private companies what they must charge for current.

These two directors fought for the yardstick idea for years, and were opposed to the building of any other dams except the first three dams that were erected.

They went to the homes of the members of the Senate Appropriations Committee—

I do not believe any of the present members of the committee were on the committee at that time, among the members then being Senator Byrnes and Senator Adams, of Colorado.

They went to the homes of the members of the Senate Appropriations Committee to lobby against the building of any other dams except the Wilson, Wheeler, and Norris. These three were enough for their yardstick, so they said.

So they said.

They did not recommend the building of these other dams.

They never have recommended the building of any other dams, except one, which was known as the Douglas Dam.

The President did not recommend the building of these other dams. The House of Representatives did not recommend the building of these other dams. These additional dams with one exception, the Douglas Dam—

As I said before—

were all built by amendments offered by me and gotten through both Houses of Congress despite the fiercest fights by Arthur Morgan and David Lillienthal against those dams. Lillienthal is not an engineer; he is a lawyer by profession, or he was educated as a lawyer.

Mr. CLARK of Missouri. Did he ever practice law?

Mr. McKELLAR. I do not know, but his biography says he was educated as a lawyer. The telegram continues:

I do not know that he ever practiced. Now, as to injuring Chattanooga, by moving the principal offices to the Muscle Shoals area, I beg to say that the original act provided that the principal offices should be at Muscle Shoals. Without getting Congress to change the act Lillienthal of his own motion and contrary to the law moved the principal offices to Knoxville and Chattanooga. In the committee I offered an amendment to authorize these principal offices to remain at Knoxville. My good friend Senator BANKHEAD—

One of the finest men I ever knew, the colleague of the distinguished junior Senator from Alabama [Mr. HILL]—

My good friend Senator BANKHEAD, who took and is taking the Lillienthal side of this question, offered a substitute requiring that the offices be moved back to Alabama, and that substitute passed.

The substitute prevailed in the committee.

I am going to offer a bill to provide by law for keeping the offices at Knoxville. They should be kept there. But the committee turned me down on that, and decided in favor of the Senator from Alabama [Mr. BANKHEAD].

The only reason it could have possibly passed the committee was because Lillienthal had illegally moved the offices in the first place. If he had had any respect for the Congress, he would have had it done legally. I intend to offer an amendment to make the head office at Knoxville, and, of course, other offices where they are necessary. It developed in the recent hearings before our committee that Lillienthal had reported—

And I hope Senators will listen to this, that Lillienthal had reported in his report to the Congress last July—

that he had paid \$13,148,000 into the Treasury of the United States. Lillienthal was obliged to admit that this was a falsehood. It also developed at the hearings that he was selling current at a cheaper rate to the Aluminum Co. of America than he was to the Reynolds Metal Co., which was also an aluminum company. When asked directly if that were true, he directed his assistant, Mr. Wessenaar, to answer the question.

As the record will show.

Mr. Wessenaar answered that he was selling at a lower price to the Aluminum Co. of America—

That should be "to the Metal Co. than to the Aluminum Co."—

and thereupon Lillienthal was confronted with a letter that he had written to Mr. McIntyre of the White House stating that he was selling two-tenths of a cent less to the Aluminum Co. than he was to the Reynolds Metal Co., and tried to explain it on other grounds. This two-tenths of a cent differential against the Metal Co. in the 20-year contract amounts to \$7,000,000. That Lillienthal is engaged in political matters is perfectly apparent from the testimony in the hearings which I am sending you a copy of under separate cover together with the bill and reports. He was hotly engaged against me in 1940 and no doubt he will be similarly engaged in 1946 if he is still with the Authority.

And I ought to have added "and if I were living at that time."

I continue to read:

Dr. A. E. Morgan and Senator Norris have both charged him with being a deceitful

falsifier and I have reluctantly reached the same conclusion about him.

Mr. President, I now wish to quote what those two gentlemen said about him. My telegram continues:

Dr. Morgan said: "There is a practice of evasion, intrigue, and sharp strategy, with remarkable skill in alibi and the habit of avoiding direct responsibility, which makes Machiavelli seem open and candid. The marble claims, in my opinion, were an effort at deliberate, bare-faced steal."

That word is spelled s-t-e-a-l. I am quoting the very words of Dr. Morgan. They are not mine. I now quote from former Senator Norris. We all remember Senator Norris, a fine Senator and a fine gentleman. But things have occurred this morning which, when I looked at the newspapers, made me sit up and take notice. I saw there a statement that he sided with Lillienthal in this matter. But I wish to read what Senator Norris said at the time. He said:

"People generally have an idea that when these marble claimants and Mr. Lillienthal and the other Morgan—

Meaning Dr. H. A. Morgan, of course, who was a member of the Authority—

"were about to rob the Government of millions of dollars, Dr. Morgan—

Meaning Dr. Arthur Morgan—

"stepped in and called a halt and saved the day."

Mr. President, that is not my statement respecting Lillienthal. Former Senator Norris called his name. Let me read that again.

"People generally have an idea that when these marble claimants and Mr. Lillienthal and the other Morgan were about to rob the Government of millions of dollars, Dr. Morgan stepped in and called a halt and saved the day."

My telegram continues:

So far as I know these statements of Morgan and Norris have never been answered by Lillienthal.

I have hunted to find out if Lillienthal had ever answered the statement.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. Yes; I yield.

Mr. HILL. Since the Senator has quoted former Senator Norris, I think I ought to call attention to the fact that I received a telegram this morning from Senator Norris, without any suggestion or solicitation in any way, shape, or fashion on my part. The telegram is as follows:

McCOOK, NEBR.

Hon. LISTER HILL,

United States Senate,

Washington, D. C.:

I have absolute faith in the integrity, honesty, and ability of Lillienthal. He has been a faithful, honest public servant.

G. W. NORRIS.

Mr. McKELLAR. I am quoting what Senator Norris said at the time of the so-called steal.

Mr. HILL. This telegram is under date of March 15, and reached me this morning.

Mr. McKELLAR. Oh, yes; of course.

Mr. HILL. As I said, I did not solicit it in any way whatever. It was sent to

me, and I think in justice to Lillienthal it ought to be read at this point in the RECORD.

Mr. McKELLAR. I know the Senator from Alabama did not solicit it. But do not all of us know that it was solicited just the same by someone else?

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I shall yield in a moment. Everyone knows that what Dr. Morgan said applies at this point. He said:

There is a practice of evasion, intrigue, and sharp strategy.

The telegram which the Senator just read—sharp strategy? Sharp strategy? Dr. Morgan continues:

With remarkable skill in alibi and the habit of avoiding direct responsibility.

He does not deny it himself, but he asks his friends to deny it for him.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from New Hampshire.

Mr. TOBEY. The Senator from Tennessee a few moments ago paid tribute to Dr. Morgan, formerly chairman of the board of T. V. A., and pointed out that Dr. Morgan, as I understood his language, "Saved the day" by showing up the effort of Lillienthal and somebody else to steal millions of dollars. Is that correct?

Mr. McKELLAR. No; I was merely quoting Senator Norris.

Mr. TOBEY. Yes. And in the quotation the Senator brought that truth out, did he not?

Mr. McKELLAR. That statement came out, yes.

Mr. TOBEY. Exactly. I now point out to the Senator that so far as virtue being its own reward is concerned, in this instance it does not apply, because shortly thereafter Dr. Morgan was thrown out on his ear, in spite of the fine, heroic work he had done; is that not correct?

Mr. McKELLAR. He was thrown out.

Mr. TOBEY. Where did he land?

Mr. McKELLAR. I do not know where Dr. Morgan is.

Mr. TOBEY. I leave that.

Mr. McKELLAR. I do not know where Dr. Morgan is, but the man he described here, and that my good friend Senator Norris described here, landed in Morgan's place and is supposed to be taking his place.

Mr. TOBEY. And Dr. Morgan, who saved the day, who showed this thing up, goes out, and the other man stays in; is that correct?

Mr. McKELLAR. Yes. That is one of the happenings.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. It ought to be stated that Dr. Morgan's separation from the position as chairman of the T. V. A. and as a member of the T. V. A. Board had many ramifications wholly independent of and disconnected altogether from this episode to which the Senator from Tennessee refers. We all understand what happened at that time.

Mr. McKELLAR. I do not. I was not consulted, and do not know what happened at that time. I had built the dams. Of course I had very little to do with it. After the House refused to appropriate any money, when the matter came before our Appropriations Committee, my good friends on that committee were more generous to me than I ever deserved in all my life.

Mr. CLARK of Missouri. I agree that the members of the committee were generous with the Senator.

Mr. McKELLAR. I thank the Senator for agreeing with me. They were more generous to me than I ever deserved, and at my earnest request they granted the money to me to build those dams, and I feel I am under an obligation to see that that money, and that all money which we appropriate for that activity, shall be honestly administered, and with the greatest integrity and care.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. I merely desire to say that I withdraw myself from any encomium the Senator from New Hampshire is paying Dr. Arthur E. Morgan. I was opposed to his confirmation in the first place, and held it up here for 2 weeks until the former Senator from Nebraska, Mr. Norris, and the Senator from Tennessee talked me into withdrawing my opposition and letting him be confirmed. I did not think he was fit to be on the board in the first place. I still do not think he was. My views had nothing to do with any activity of his as a member of the T. V. A. They had to do with some general flood-control views he had announced from the grandstand before he was ever appointed on the T. V. A. But it seems to me that the important element in this matter is as to whether or not, in connection with the quotation which the Senator from Tennessee has just read from my dear friend, former Senator Norris, the two gentlemen that he mentions there, to wit, Mr. Lilienthal and Dr. H. A. Morgan, still constitute a majority of the T. V. A.

Mr. McKELLAR. They do constitute a majority of the T. V. A.

Mr. CLARK of Missouri. In other words, Senator Norris, in the quotation the Senator has read, accused Mr. Lilienthal and Dr. H. A. Morgan of what is known in my section of the country as skullduggery—not necessarily criminal offense, but just general skullduggery.

Mr. McKELLAR. Yes, sir; that is it. I continue to read from the telegram:

It is estimated that the House appropriated in unexpended balances and in receipts \$87,791,000.

That is in this last appropriation.

And of this sum \$8,600,000 was to be a reserve. The committee thought that this reserve should be eliminated and it was. They cut down other small items amounting in the aggregate to \$2,000,000 and left \$77,981,000 appropriated to the Tennessee Valley Authority for the ensuing year. In other words, all this propaganda that Lilienthal is sending out, 99 percent of which is false, arises over the cutting of his appropriations of about \$2,000,000 out of a total of \$79,000,000, and yet he is falsely stating to

the people of the valley that the reduced appropriation and his manner of getting it from the Congress will cripple or hamstring the Tennessee Valley Authority. The United States Government has got nearly a billion dollars invested in the Tennessee Valley Authority which is managed dishonestly, improvidently, and, as Dr. Morgan says, "with evasion, intrigue, and sharp strategy." The Congress of the United States has been marvelously generous to me in giving me the appropriations to build these magnificent dams on the Tennessee River and I want to say with the utmost sincerity that as long as I am a Senator in this body those funds are going to be used honestly and openly for the benefit of the people, rather than to turn them over to this man Lilienthal to be run into waste that certain of his associates have denounced as dishonest and corrupt. He has made the Tennessee Valley Authority a member of the private power trust, against which Senator Norris and I fought so long. Lilienthal today is lobbying by sending out falsehoods all over the State—

I am not so sure but some of these come directly or indirectly to Senators, a fact concerning which I wish to pay my respects on Monday.

Lilienthal today is lobbying by sending out falsehoods all over the State, using the Government's money for the purpose of circulating this propaganda trying to save himself from an ignoble end which he knows is facing him. Surely no one in Tennessee believes that at my age I am trying to obtain patronage.

That is the only answer they had, that because Senator McKELLAR has added the \$4,500 provision to the bill, which applies to Tennessee Valley and to all other activities of Government and departments of Government, he is trying to obtain patronage.

Good heavens! What would I do with patronage, at my time of life? What in the name of God could I do with it? They must think I am simple minded, to charge me with trying to get patronage, at my time of life.

The telegram concludes, as follows:

Lilienthal's statement to that effect is a willful, deliberate, and malicious falsehood. I thank you very much for your request for the facts.

Mr. President, I have taken the time to read those two telegrams because they have given the facts concerning what we have done. The original Tennessee Valley Authority Act provided that the Tennessee Valley authorities should pay their receipts into the Treasury of the United States, just as every other governmental agency of the United States is required to pay its receipts. By some marvelous means, Lilienthal got the House to insert a provision that he need not pay those receipts into the Treasury, but that he could simply take the receipts and run that great, almost billion-dollar plant as he is doing—a plant which is bringing in \$65,000,000 or \$70,000,000 a year. I know the Senator from New York will excuse me for taking his time at this late hour in the afternoon. I would have waited until tomorrow to make the opening remarks of the statement I expect to make; but I understand that the majority leader and minority leader believe the Senate should take a recess until Monday. For that reason I felt that this much of my statement should go into today's RECORD,

so that Senators could have it. I know that Senators are being communicated with by Lilienthal's ally, associate, and great friend, a man by the name of Silliman Evans, who is running the Nashville Tennessean. I suppose most Senators have read the vicious and outrageous falsehoods he has written in editorials. I am sure he has done me a great service by sending those editorials to Members of the Senate, because I am confident no Member of the Senate will believe I am the kind of man he has charged me with being. At any rate, I hope Senators will not believe his charges; because, as God is my judge, Mr. President, I have but one desire in this matter, and that is to do what I honestly and sincerely believe to be right. I do not believe that Government money, amounting to almost a billion dollars invested in that great institution in Tennessee, should be turned over to Lilienthal, for him to use as he sees fit, without regard to another living soul.

FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE—ADDITIONAL SPONSOR.

Mr. CLARK of Missouri. Mr. President, on Monday, March 13, on behalf of approximately 70 other Senators, as well as myself, I introduced Senate bill 1767, a bill to provide Federal Government aid for readjustment in civilian life of veterans returning from World War No. 2. By inadvertence, either on my part or that of the reporters, the name of the distinguished senior Senator from Minnesota [Mr. SHIPSTEAD] was omitted. The Senator from Minnesota has at all times been one of the most active and most interested Senators in the preparation of the bill, and the omission of his name on Monday was done either by inadvertence on my part or on the part of the reporters. I ask unanimous consent that the permanent RECORD for March 13 be amended so as to include in the announcement of the names of Senators sponsoring the bill the name of the senior Senator from Minnesota [Mr. SHIPSTEAD], and that in any reprint of the bill his name be included as one of the introducers of the bill.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR FINANCE COMMITTEE TO FILE REPORT DURING RECESS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to file during the recess of the Senate its report on the bill just referred to by the Senator from Missouri, Senate bill 1767.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. If the bill is to be reported during the recess, can the Senator give any information as to when consideration of the bill will be begun?

Mr. BARKLEY. It had been the purpose to commence consideration of the bill on Monday, if we were able to conclude consideration of the pending bill today. However, I imagine the consideration of Senate bill 1767 will follow consideration of the pending bill.



SENATOR McNARY—POEM BY HORACE C. CARLISLE

[Mr. HILL asked and obtained leave to have printed in the Record a poem entitled "Senator McNary," written by Horace C. Carlisle, which appears in the Appendix.]

PRODUCTION OF FOOD—ADDRESS BY REPRESENTATIVE HOPE, OF KANSAS

Mr. CAPPER. Mr. President, last Thursday night I had the pleasure and profit of attending the food forum dinner in this city and listening to the food problem discussed from several different angles. There were present some 700 persons.

One of the most interesting speeches of the evening was made by Representative CLIFFORD R. HOPE, of Garden City, Kans., Member of the House of Representatives from the Fifth District of Kansas. When all is said and done, Mr. President, the food problem is basically a problem of production, food has to be produced before it can be distributed and consumed.

During this emergency the farmers of Kansas and of the Nation generally have done a magnificent job. With a serious labor shortage, with inadequate supplies of machinery, with its marketing problems complicated by tire and gasoline shortage, the American farmer nevertheless increased the food production of this country one-fourth in 3 years, measured by volume. Representative HOPE tells the story of the American farmer and the war in his address. I ask unanimous consent that it be printed in the Record at this point, as a part of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Here in America, we are accustomed to taking food for granted. We overlook the fact that in all the history of mankind there has never been a period when a large proportion of the human race did not suffer for lack of food. Recorded history is full of stories of famines, one after another, coming right down to A. D. 1943. For a large part of the human race, life has always been a constant struggle to get enough to eat.

It is only in a time of stress like this, that Americans give much thought to food. Today, the rationing of certain important foods has made us food conscious. This is not because we are suffering from hunger or any possibility of actual hunger in the United States. The American people as a whole have lived better during the past 3 years, as far as food is concerned, than during any period of similar length in our history. That is, that in spite of rationing, we have consumed more good, wholesome, nourishing food during that time than ever before. Furthermore, the distribution of this food among the people has been wider and more general than ever before in our history.

In addition to feeding our own people well, this country has produced sufficient food to supply our armed forces with the most generous and adequate food supply ever consumed by any army since time began and has had an excess to export to our allies and those living in occupied territory. For the year 1942, 13.6 percent of our food production went for military purposes and lend-lease; and for 1943, 25 percent went for this purpose.

Since the beginning of the war much publicity has been given industry and labor for our tremendous achievements in war production. This publicity is deserved. Too much credit cannot be given to this miracle of production. Much of it is spectacular and

dramatic, and all of it is unsurpassed in the world's history.

The farmer's part in war production has not been dramatic. It has been given little publicity, but everyone familiar with the facts knows that the farmer's achievements in war production have been in many ways more remarkable than those of industry. It must be remembered that our increase in industrial production was possible because of tremendous expansion in plants and plant capacity, because of greatly increased personnel, and because of priorities which made it possible for war industries to secure the materials which they needed. Not so with the farmer. He secured an increase of 21 percent in total farm production between 1939 and 1943 and a 24-percent increase in food production during that time. The significance of this achievement is apparent when it is recalled that this increase was in spite of the fact that the farmer had less labor, less machinery, less fuel, and less transportation equipment in 1943 than he had in 1939. That is the miracle of farm production. It has been possible only because of the patriotic, untiring, everlasting work of the American farmer and every member of his family. Reports by the Department of Agriculture on the length of the farm day in Middle Western States show farm operators working from 12 to 13½ hours per day and hired workers almost as long. In many cases this is a 7-day week. Farmers out in my district jokingly refer to their 8-hour day—8 hours in the forenoon and 8 hours in the afternoon.

Since the war began the number of workers on the farms has declined 4 percent, but this does not begin to tell the story. From the beginning of the national defense program in 1940 to July 1, 1943, 2,600,000 actual or potential farm workers left farms and more than a million others took nonfarm jobs while continuing to live on farms. Those who left, particularly those called into the military service, were the younger workers, highly skilled in the use of farm machinery. All of them were experienced. Their places have been taken by unskilled workers, by women and children, by older men and women, all of whom have patriotically contributed their best to farm production but, of course, they cannot compare in skill and experience and physical strength with those who have been taken away by the war effort.

The same handicap has existed from the standpoint of machinery. The allotment of material for machinery for 1943 was 40 percent of the production for 1940. That doesn't mean, however, that farmers got 40 percent of the machinery they got in 1940. As a matter of fact, it is doubtful if they actually received 20 percent of the 1940 production. Allotments of material in many cases were not made until too late for delivery in 1943. In many other cases the allotments were not for the type of machinery most needed. For 1944 the allotment is 80 percent of the 1940 output, but no one believes that 80 percent will be delivered, and, as a matter of fact, right now several types of machinery needed in planting are unavailable. Prospects for harvesting machinery seem better. With ample labor, the shortage of machinery would not have been such a handicap. With ample machinery, the shortage of labor would not have been so serious. But what was accomplished was done in spite of serious and appalling shortages along both lines.

Attention must be called also to the fact that in many cases the farmer, at the request of his Government, has produced crops with which he had had no experience and for which he did not have suitable machinery. This is because the war effort required important shifts in production. We needed more fats and oils to replace the loss of imports. We needed more dairy products, eggs, pork, and lard to supply our allies. We needed more feed grains to take care of our increased livestock production. From 1939 to

1943 we increased our oilseed crops 145 percent, a considerable part of it produced by farmers who had never grown those crops before. The number of our beef cattle increased 27 percent between 1939 and 1943. Not only did we increase the number of hogs tremendously, but we grew them to greater weights so that pork production for 1943 was 68 percent more than 1939. Never in all our history have we produced anything like the quantity of meat which was made available during 1943. A statistically minded friend tells me that if all the cattle which were slaughtered in this country in 1943 could be represented by one gigantic steer, he could put his hind feet in the Arctic Circle, get a drink out of the Gulf of Mexico, and wrap his tail around the aurora borealis; and that if all the hogs could be made into one enormous hog, he could dig a ditch as big as the Panama Canal in two roots and a half. Then let's take a look at eggs and chickens, because there again is something to crow about. Between 1939 and 1943 egg production increased 39 percent and chickens 33 percent. We've come close to having two chickens in every pot.

Let's not forget that while the weather has a lot to do with the production of crops, when it comes to livestock it is all the result of good hard work. Let's not forget that these long hours of the American farmer were not spent in comfortable factories with all modern conveniences, but that most of them were spent under a broiling summer sun or in the Arctic winds of winter. Also, let's not overlook the fact that when we wanted war production, we not only gave the manufacturer adequate labor and whatever priorities were necessary for plants and machinery, but we arranged to pay whatever price he thought necessary to get production. The fabulous profits of industry are being cut down through taxes and renegotiation but, nevertheless, no manufacturer of war materials took any chance of a loss in his operations, and in many cases a large part of his operations were conducted on Government capital. Not so with the farmer. He has been held to a rigid price structure. In some cases he has had the assurance of support prices, but in all cases he has been limited to fixed ceilings. Along with this he has taken the risks as to weather, insect pests, and plant and livestock diseases, against which there is no insurance. In most cases he hazarded a large part of his capital in his season's operations. Yet few farmers have hesitated at these risks, and in almost all cases the goals set by the War Food Administration have been equaled and in many cases exceeded.

We hope the time will soon come when the war's end will make it possible for us to send some of our bounteous production to the undernourished people of the war-torn countries. The American farmer shares the willingness of all Americans to relieve this distress. He produced the food which fed the children of Belgium, France, and Germany after the other World War and, like all other Americans, he is willing to make whatever sacrifices are necessary to help the people of the occupied countries who have suffered most in this war.

We do not know when that time will come but when it does, the American farmer will be ready. He can be pardoned, however, for feeling some anxiety and uneasiness as to just what will happen when the war ends, especially if it should end suddenly, causing a decline in military and export demands. If this should be followed by widespread unemployment, incident to a change-over from war to peace, thus reducing the buying power of American workers, the problem might be serious. It is true that Congress has passed legislation guaranteeing a support price of 90 percent of parity on the most important agricultural commodities for 2 years after the war. This, however, does not necessarily

solve the problem. If we should end that 2-year period with large surpluses, the effect on prices might be disastrous.

In the meantime, and as long as production is needed on a war-time basis, the American farmer is entitled to more assurance than he has had up to date as to his ability to secure labor, machinery, and transportation. Those things can and must be made available in greater amounts than in the past. If food is given the priority which it should have as an essential war requirement, there is still time to do much during this crop year along those lines.

I was asked to discuss the farmer's part in war food production. I cannot refrain in concluding from making a brief reference also to the splendid achievements of the food industry in processing and distributing this great food supply. It has done a magnificent job and the fact that there has been no profiteering by either farmers or the food trade is pretty well attested by the fact that there has never been a time in the history of this country when the American people were spending as small a proportion of their national income for food as they are today, only 21 percent. And, as heretofore mentioned, during the past 3 years our people have consumed more good wholesome nourishing food than ever before. If we were consuming the same quality and quantity of food that we did as a Nation in the period from 1935 to 1939, we would be spending only 16 percent of our national income for food.

One thing that is needed now, by both agricultural producers and processors, is a clear statement of our Government's policy on surplus disposal and on relief and rehabilitation following the war. All Government discussion of post-war programs up to date has failed to include agriculture. The Baruch report, while admirable in many ways, does not even touch upon the problem of agriculture except a brief reference to the disposition of surplus stocks. No post-war program can be considered adequate in any sense which does not take fully into consideration the fact that there will have to be an adjustment in the character and quantity of agricultural production following the war. There will have to be a carefully worked out plan for disposing of surplus stocks in order to protect both the processor and the farmer. The sooner definite programs can be worked out along these lines the better it will be for everyone.

NORWAY PAYS ITS WAY—ARTICLE FROM THE SATURDAY EVENING POST

Mr. WILEY. Mr. President, I ask that there be printed in the RECORD at this point an excerpt I have taken from the Saturday Evening Post entitled "Norway Pays Its Way." This is a short but remarkable article, showing how the little Nation of Norway, which before the war was not only paying its way but was creating a surplus each year, now that the war is on is utilizing its merchant marine, and with that not only maintains the interest charges upon its bonds, but is paying the cost of government, though Norway is occupied by the Nazis.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NORWAY PAYS ITS WAY

(By Leslie Roberts)

The check said to pay the Royal Norwegian Air Force \$1,000,000, and Director General Erling H. Samuelson, of the Norwegian Shipping and Trade Mission in Canada, signed with a flourish, as he does for equal or larger amounts whenever the Norse fliers ask for money. More goes from the mission in New

York, for its merchant navy has been paying for Norway's war effort ever since German warships steamed up Oslo Fjord on April 9, 1940, and "Quisling" became another name for traitor.

At Little Norway, the airdrome in northern Ontario where young Norwegian falcons learn to be fighter pilots, the commandant had talked about the war aims of the youngsters who have escaped from the homeland to fight. What they have on their minds, he said in back-of-the-throat English, is to set Norway free, nothing else. That is enough to occupy them for the present, because, to each youngster, freeing Norway means freeing his own family, his own girl, his own village, from the Nazi yoke. Focusing on such an objective leaves no time for abstract speculations. Gripped by an obsession, thousands of young Norwegians have escaped across the North Sea to Britain and Canada, thousands more through the back door into Sweden, thence overland across Siberia to take ship to North America. Before Pearl Harbor, many journeyed down through Japan in search of ocean passage. Others went by way of India, and some even trekked from Sweden to ports on the African coast. Often they took a year to make the base in Canada.

They were training under Norwegian instructors to do a special job for Norway, after polishing off in a Canadian service flying school, they would be shipped to Britain for induction into Norwegian squadrons which retain their national identity from C. O.'s office to cookhouse. They fly with the R. A. F., and up to the late fall of '43 had won 170 awards for bravery while amassing an ominous record in enemy aircraft destroyed, for which circumstance they give full credit to team flying.

EARNING FREEDOM THE HARD WAY

The commandant bristled visibly when asked, "Who pays the bills? Does the Canadian Government provide the air stations, hangars, aircraft, uniforms, food, and pay?" The query prompted the visit to the shipping mission, where the director-general provided answers which every citizen of the United Nations should paste in his hat to remember when judgment day comes and war's accounts are tallied.

At the time of invasion, Norway's merchant fleet tallied almost 5,000,000 tons and was the world's fourth largest. More important, almost 50 percent of the ships were less than 10 years old and many of them were fast Diesel-driven tankers and ships specially designed to carry perishables. Even before invasion, 54 ships, under charter to the British, had been lost by enemy action. Now wireless orders went to every Norse master, instructing him to make for the nearest friendly port and go to work for his own government.

Without one exception, the captains complied. Through 1941 and 1942 they carried half the oil and a third of all the foodstuffs which reached Britain. Throughout the battle of the North Atlantic a ship went down every second day. But the merchant fleet kept on slugging, taking such replacements as it could get and working the whole fleet under forced draft. By such devices less than 30,000 Norwegian sailors have footed the bill for their country's war effort, while the homeland itself has been locked in bondage. The sailor even pays his taxes as he would at home. Every krone of revenue, every öre of compensation, has gone into the government's coffers, alongside the country's gold reserves, which were sneaked out of Norway while the battle was at its height.

Paying for the war effort is not the only job. Other commitments are met on the nail. In 1943, a loan of \$20,000,000, floated in 1923 in the United States, was paid in full on maturity. Norway is ready to send its check for a similar loan which will come due this year.

The result is a serious case of hero worship of the merchant seamen on the part of the youngster in a Norwegian uniform. Without them, he says, "we would have been fighting on the charity of our allies." You gather that the last thing any upstanding young Norseman wants is any part of any man's charity. He has a job on his hands—to set his beloved Norway free and to pay the bills as he goes.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The VICE PRESIDENT. The pending question is on agreeing to the amendment of the Senator from New York [Mr. MEAD] to the committee amendment on page 13, line 1, inserting in lieu of the figures "\$4,191,143", the figures "\$6,146,000."

Mr. HILL. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	Overton
Andrews	Ferguson	Radcliffe
Austin	George	Revercomb
Bailey	Gillette	Reynolds
Ball	Guffey	Robertson
Bankhead	Hatch	Russell
Barkley	Hawkes	Shipstead
Bone	Hayden	Stewart
Brewster	Hill	Taft
Bridges	Holman	Thomas, Idaho
Brooks	Johnson, Colo.	Thomas, Utah
Buck	Kilgore	Truman
Burton	La Follette	Tunnell
Bushfield	Langer	Tydings
Byrd	McCarran	Vandenberg
Capper	McClellan	Walsh, N. J.
Chandler	McFarland	Weeks
Clark, Idaho	McKellar	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Davis	Millikin	Wiley
Downey	Murray	Willis
Eastland	O'Mahoney	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Massachusetts [Mr. WALSH], and the Senator from New York [Mr. WAGNER] are absent on public business.

The Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Indiana [Mr. JACKSON] and the Senator from Washington [Mr. WALLGREN] are absent on official business.

Mr. WHERRY. The Senator from Nebraska [Mr. BUTLER], the Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Kansas [Mr. REED] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The VICE PRESIDENT. Sixty-nine Senators have answered to their names. A quorum is present.

The Senator from New York.

Mr. MEAD. Mr. President, on Thursday last we were discussing the amendment which I offered with reference to the appropriations for the Federal Communications Commission. I shall not require much time to complete my argument. I merely desire to sum up what I deem to be the essential points in support of my amendment.

The agency for which I plead for reasonable appropriations began the work involved in this appropriation in the early 1920's. It was not only a pioneer in the field of policing the air waves but it was alone in the field, and as a result it developed the only expertness in the field at that time.

There are two essential divisions of the Federal Communications Commission involved in these appropriations. One has to do with policing the industry or the air waves in this country and in our Territorial possessions. Speaking of transfers of activities to the War Department, in my judgment it would be just as reasonable to assume that we should transfer the F. B. I., the Secret Service, and the Postal Inspection Service to the War Department in time of war as to transfer this policing service of the air waves. The policing of the air waves is inherent in the activities of the Federal Communications Commission. It locates illegal stations. It keeps the industry functioning legally and smoothly. It furnishes aid to a dozen or more Federal agencies.

The other activity is that of monitoring—not monitoring the military statements or speeches emanating from enemy countries, but monitoring the propaganda emanating from enemy countries, monitoring the speeches delivered by representatives of lay agencies, not military agencies, and furnishing a report of its monitoring activities and results to many Federal agencies and numerous foreign governments.

If we deny the Federal Communications Commission the right to continue in this field, it is my judgment that duplication and quadruplication will result, and that the appropriations will be increased, not by a few hundred thousand dollars here and there, but by millions of dollars, in order that this work may be carried on by the several agencies to which these services are indispensable.

These two divisions, the monitoring division, having to do with broadcasts emanating from civilian agencies located within enemy countries, and the policing of the air waves to prevent illegal activities, eliminate espionage, and keep the industry within the law,

have nothing to do with duplicating the efforts of the military agencies. They have their own services, which deal primarily with the movement of troops, the action of the military forces of the enemy, and such other matters as are primarily military in character.

These two civilian activities of the Federal Communications Commission render invaluable service to the Civil Aeronautics Authority, the Foreign Economic Administration, the Office of Strategic Services, the O. W. I., the State Department, and the new agency now in formation, referred to as U. N. R. A., and also in connection with our inter-American activities. In order that those agencies might receive efficient service, the President, after a review of the subject, created what may be termed a "policy board", a board on which all these agencies, including the Army and Navy, enjoy representation. This board has to do with the matter of the delegation, dissemination, and distribution of the services performed by this pioneering agency, the Federal Communications Commission.

On Thursday the statement was made in the debate that the President was interfering with the war effort, and that he should respect the letter received at the White House from the Secretary of War and the Secretary of the Navy. Mr. President, there is no politics involved in this activity, because, after all, it was the President who appointed Secretary Stimson and Secretary Knox. It was the President who assigned all the leaders having to do both with our military and our civilian agencies. When he appointed Secretaries Knox and Stimson, the cry went up that their appointments were political in character. Opposition among members of their own party was heard throughout the Nation. How can the President be consistently charged with political interference, at the same time that Knox and Stimson, who were criticized by members of their own party for taking these important assignments, are suddenly to be considered above and beyond all partisan influence and considerations? For my part, I am willing to believe that the President, as well as the Secretaries, is above partisan considerations so far as the war effort is concerned.

Of course, the military agencies should have all the services they require, and they are provided for in their own appropriations. The military should have—and it does have it—all the cooperation this agency can give. But, Mr. President, the military may at times make mistakes. If I may cite but two, let me say that in the Truman committee report there was some meritorious criticism of the activity of the military in connection with the Canol project in Canada. If I were to cite another error which was probably made by one or the other of the military agencies, let me say, again referring to the Truman committee report, that a long controversy raged with respect to the construction of small boats. For months the Navy insisted on the design and production of its own small landing boats. Finally, after long delay, it joined the Army and followed

the example of foreign countries by adopting the small landing craft built in this country by private enterprise.

Mr. President, in summation, allow me to say that the long history of the Federal Communications Commission in these particular fields, namely, the policing of the air waves, and the monitoring services, as well as their expertness as the result of long experience, should lead us, I believe, to the support of this agency and the appropriations which they require to carry out the functions to which I have referred.

Mr. President, it occurs to me that unless we provide them with adequate appropriations we will provide the military and civilian agencies with enlarged appropriations entirely out of proportion to the appropriations contained in the amendment which I have offered. Therefore, Mr. President, I trust that the appropriations for the Federal Communications Commission will be restored.

That is all I have to say on the subject except to ask permission to add to my remarks at this point in the Record a statement on the subject which I have prepared.

Mr. WHITE. Mr. President, reserving the right to object, is the statement which the Senator from New York has asked to have incorporated in the Record a statement which he himself prepared?

Mr. MEAD. Yes; it is a statement with reference to what I said in the debate last Thursday.

There being no objection, the statement was ordered to be printed in the Record, as follows:

SOME OF THE THINGS RADIO INTELLIGENCE DIVISION HAS DONE DURING THE PAST 3½ YEARS

ILLEGAL AND ESPIONAGE RADIO OPERATIONS

1. It has uncovered more than 360 cases of unlicensed radio operations—some of these were serious—one was in the German Embassy 2 days after Pearl Harbor—others have been Japs in internment camps.

2. It has been called upon by other agencies to clear up tens of thousands of cases—9,000 of these required field investigations by mobile units equipped with special detection devices, about half of these cases were referred to F. C. C. by Army, Navy, and F. B. I. and about one-third were reported as subversive operations.

3. It helped convict the spies in the Brooklyn trial a couple of years ago by showing that the station which the spies were communicating with was in Germany.

4. It first uncovered Axis espionage radio operations in Latin America, intercepted the traffic thereby informing our Government of the vital information Germany was getting by this means and enabling our Government to make representations to South American governments, fixed general locations of espionage stations in South America from its direction-finding stations in this country, at request of State Department sent engineers to South America who determined exact location of the transmitters. As a result many powerful transmitters have been closed out and hundreds of Nazi spies rounded up.

5. Has located hundreds of Axis espionage circuits throughout the world.

6. Right after war began when Army reported every unidentified radio signal it heard on the west coast as a Jap spy, R. I. D. men were called and brought order out of chaos.

7. Cooperates fully with F. B. I., British, and Canadians, as well as other agencies of

United States Government in work in this field.

INTERFERENCE

1. Has kept order in spectrum by keeping stations licensed by F. C. C. to their proper frequency, power, etc.

2. Many complaints are received every day by police, industry, commercial, safety, and governmental radio services that there is some signal interfering with important communications. Same facilities R. I. D. needs for work on espionage and illegal operations are used to track down the interfering signals and eliminate them.

3. Army and Navy rely on R. I. D. to do this work and are constantly calling on it to determine the signal interfering with one of their circuits. Not only are Navy transmitters repeatedly found to interfere with Army circuits and vice versa, but Navy transmitters with other Navy stations and Army stations with other Army stations. This work of R. I. D. constantly receives the highest commendation of armed services and others.

4. Two thousand cases involving interference to some circuit have required investigations by mobile units. Other tens of thousands have been handled by R. I. D. experts, who from experience can identify most any signal on the air merely by hearing it and by taking bearings over long distances from fixed R. I. D. direction-finding stations.

LOST AIRCRAFT

1. R. I. D., on request, has given emergency bearings to more than 400 lost aircraft—requests now come in to help military aircraft at a rate of at least 2 a day. Same service is also rendered Civil Aeronautics Authority and air lines.

2. R. I. D. appropriations over last 3½ years have been about \$2,000,000. Lost aircraft saved by R. I. D. much more than make up for this, when it is considered a big bomber and crew in terms of investment run to \$750,000 apiece.

INTERCEPTS

Other Government agencies including State Department, Federal Economic Administration, Office of Strategic Service, Federal Bureau of Investigation, Weather Bureau, Office of Censorship, and even Army and Navy rely on the Radio Intelligence Division to intercept much foreign radio and telegraphic traffic for the very important intelligence it includes.

TRAINING

R. I. D. men are recognized as the experts in the field and they have trained personnel in the armed services, men from South American countries as part of a hemispheric plan to combat Axis espionage, and men from other Government agencies.

MILITARY

On specific request, and only on specific request, R. I. D. has helped Army and Navy do jobs which they have not been able to do or which R. I. D. men can do better. Quantitatively this work has been rather small.

Mr. MEAD. If there is to be no further discussion, Mr. President, I ask for favorable action on the amendment.

The VICE PRESIDENT. Has the Senator from New York concluded?

Mr. MEAD. I have concluded. I now yield the floor.

Mr. McKELLAR. Mr. President, one of the provisions contained in this amendment was gone into very fully by the other House and also by our committee. I refer to the item of approximately a million and a half dollars for conducting the Radio Intelligence Division and the Foreign Broadcast Intelligence Service. It was found by the House and by the Senate committee as well, that this

service was a duplication of what the Army and Navy is doing today. It seems that some time ago the authorities of the War Department and of the Navy Department got together and said that this activity should all be under the Army and the Navy. Unquestionably, in my judgment, that is true. In the judgment of the committee it was true. The committee was overwhelmingly of the opinion that there was a duplication of service which was not warranted by the facts presented.

It is true that Mr. Fly, the very energetic and able Director of the Federal Communications Commission, has been exceedingly active. He testified before our committee, and the committee heard his testimony for a day or two. During his testimony he pleaded very earnestly for the continuation of this service the appropriation for which the House left out, amounting to more than a million and a half dollars. After hearing him with the greatest of care, and with every consideration, the committee determined that there was almost entirely a duplication of effort, and that it was not necessary in the war effort. As we are in a very expensive war the committee agreed with the House of Representatives that this item should be eliminated.

As to the item of \$300,000, the committee felt that during the war, during a time when it is very necessary to conserve our resources, this activity could get along with \$300,000 less. There was a provision on page 12 of the bill to purchase "not to exceed 20 passenger-carrying automobiles." We thought that that would be extravagant at this time, and it was stricken out. After going into the matter very thoroughly we felt that of the House item of approximately \$4,491,000 about a million and a half dollars should be eliminated and the amount of approximately \$300,000 in the general appropriations should be cut down. The amendment of the Senator from New York is to restore both items. He has put them both together—the \$300,000, which our committee cut out, and the item of \$1,500,000 which the House cut out. I think the amendment should be defeated.

We heard the testimony on behalf of the Federal Communications Commission. It has a very interesting activity. In times of peace we might well afford to be liberal with the people's money and give the Commission more money with which to experiment. Many of its activities comprise experimental work in the field of radio. Under other circumstances it might be proper to give the Commission these extravagant appropriations, but under the present circumstances it seems to me to be almost a willful waste of the people's money to grant these large appropriations. I am very hopeful that the Senate will vote down the amendment of the Senator from New York.

Mr. LA FOLLETTE. Mr. President, I am sorry to find myself in disagreement with the able chairman of the committee and with the majority of the committee insofar as the issues involved in the amendment offered by the junior Senator from New York [Mr. MEAD] are

concerned. As I understand, the House struck from the Budget estimate \$1,000,000 for the Radio Intelligence Division, \$500,000 for the Foreign Broadcast Intelligence Service, \$113,607 for new positions requested, \$21,897 for the Personnel Division, and \$19,353 for the Budget and Planning Division, making a total of \$1,654,857.

Reading from the letter of the chairman of the Federal Communications Commission to the committee:

The Commission is impelled to request the restoration of (1) the \$1,000,000 cut off the estimate of the Radio Intelligence Division; (2) The \$500,000 cut off the estimate of the Foreign Broadcast Intelligence Service; \$46,369 for 15 new positions in the Foreign Broadcast Intelligence Service for expanding the coverage of Japanese broadcasts; and (3) \$52,965 for 14 new positions in the Engineering and Accounting Department for rate and integration work required principally because of the recent merger of the domestic wire-telegraph carriers.

Mr. President, as I see it, the activities carried on by the Foreign Broadcast Intelligence Service and the Radio Intelligence Division are of vital importance. The Foreign Broadcast Intelligence Service monitors the broadcasts of enemy radio stations. Every Senator within the sound of my voice knows that propaganda is one of the new and modern weapons of war. It is new and modern because of the development of short-wave radio transmission, which permits the enemy to broadcast directly into the countries that are aligned against them and every Senator knows full well that our enemies have made very important use of this new technique in attempting to reach the countries of the Allied Nations in an effort to create dissension within those countries and, insofar as possible, to break down the morale of the home front in the Allied Nations.

So far as I am able to ascertain, the Federal Communications Commission is simply a service agency insofar as its Foreign Broadcast Intelligence Division is concerned. It was set up at the specific request and suggestion of the State Department; and, if we pause a moment for consideration, it seems quite natural that the State Department should be the one Department which would primarily be interested in the propaganda which is filling the air waves 24 hours a day from innumerable radio stations located in the Axis countries and beamed directly to the Allied Nations. After this service was established other agencies of the Government became interested in it. Originally, the Board of Economic Warfare, because it was endeavoring to utilize the moneys made available to it to buy up strategic materials in the neutral countries of the world in an effort to prevent our enemies from obtaining them, naturally became vitally interested in enemy propaganda. I do not know how many Axis stations there are that beam propaganda to South and Central America, speaking in the language of the countries to which the broadcasts are beamed, but I should say that there are numerous stations which are on the air 24 hours a day trying to create dissension and to undermine the effort and

unity of the nations in this hemisphere in their war effort. Naturally, any agency such as the Bureau of Economic Warfare, now, under the new Executive order, the Foreign Economic Administration, would be concerned to have the essential portions of the various Axis propaganda broadcasts monitored that is listened to, translated, and furnished to them at the earliest possible moment.

This service is also furnished to a large number of other agencies of the Federal Government now engaged in the war effort. I assert that there is no duplication whatever insofar as the monitoring of foreign propaganda broadcasts is concerned, and, if the amendment of the Senator from New York is not adopted, this service will be either crippled or completely eliminated. Mr. President, if we want to be an ostrich, if we want to take the position that we are not going to recognize the importance of enemy propaganda insofar as this war is concerned, then let the Senate vote down the amendment.

Furthermore, I wish to point out that since the war has progressed this work of the Foreign Broadcast Intelligence Service has been integrated with that of our allies, because, obviously, for geographical reasons, in a global war it is not possible to monitor all enemy stations from any one country, and, therefore, our activity in this field, having been commenced, as I have said, at the request of the State Department, has been integrated with that of the British and other allies and this information is merged each day by cable. The British have no good listening stations, for example, so far as the Japanese propaganda is concerned. Do Senators think it is unimportant to know what the Japanese propaganda short-wave stations are saying to the people of Burma when our troops are making some effort, feeble though it may be, to attack through Burma.

Mr. President, every person who knows anything about the war must be aware that the enemy propaganda had softened up the native population, so to speak, so that in the early stages of the war against Japan they were at least indifferent, if they were not hostile, to the British military operations.

The foreign propaganda is synchronized; it is a part of the common whole of our enemy's war effort; and yet we are now confronted with such a situation that if this amendment is not agreed to the one agency of this country which is prepared to carry on and has been carrying on this work, will find its work crippled or completely eliminated.

We will then either have to furnish more money to set up another agency in the Government to carry on this monitoring service, or we will have to be without the benefit of it, and I unhesitatingly assert that for us to take any such action as that proposed would be the height of stupidity, for our ears would then be closed to the propaganda efforts of the enemy being carried on by a myriad of high-powered short-wave radio stations which are a network in the Axis propaganda efforts. I cannot believe that the Senate of the United

States would want to take any such action at this time.

Mr. President, the Radio Intelligence Division is another activity of the Federal Communications Commission. It was set up when the Commission was organized. It is the police arm of the Federal Communications Commission, insofar as the regulation and control of domestic broadcasting is concerned. Every Senator who is at all familiar with the subject of radio must know that, because of the way in which original licenses were granted, they were issued very freely. Under the Department of Commerce procedure in the early days, licenses were issued in the order in which they were filed, and while I do not know whether it was a facetious story or not, I was told about a man years ago who wanted a radio station in his home town who came to Washington and kept the taxi waiting while he went into the Department of Commerce, got his license, put it in his pocket, went back to the train, and returned home to establish his station. That is not in criticism of the Department of Commerce. First of all, we were in the early years of this art, and, secondly, the courts had rendered a decision which indicated that applicants were entitled to licenses.

As a result, the broadcast band of the radio spectrum is jammed, and every Senator who listens to the radio must know that to be a fact.

The only way by which the ether can be kept in a condition so that the listener may get fairly decent service will be as a result of the Radio Intelligence Division activity in keeping the domestic broadcasters within the terms of their licenses so far as wave bands, power, and other operating features are concerned. The only way that can be accomplished is by having a network of monitoring stations, as well as portable monitoring outfits which can go into the various areas and make certain that the broadcaster has not expanded his band, is not broadcasting on a broader band than he is entitled to use, or that he is not feeding more power into his broadcasting equipment, thus creating more interference than would otherwise be the case.

Furthermore, the Radio Intelligence Division polices the ether to prevent unnecessary interference because of faulty electrical equipment, such as X-ray equipment, diathermic machines, faulty transformers, leaky high transmission lines, and other things not related to radio which cause electrical disturbances, but because of the high frequency with which those electrical devices throw off their interference they destroy the effectiveness of any particular radio broadcast band.

Mr. President, if we reduce the appropriation as drastically as the House has reduced it, and as the Senate committee has recommended that it be reduced, we will be crippling the police arm of the Federal Communications Commission, which it has established in order that it may discharge the responsibility which it has to discharge as the result of an act of Congress.

I do not make any invidious charge, so far as broadcasters are concerned, that they will take advantage of this situation if they know that the Senate and the House have decided to impair this police service, but I do say that we all know that in every line of business—in every activity in the country—there are those who will take advantage of such a situation, and in the crowded condition which exists in the broadcast band or segment of the radio spectrum I say that such violations might seriously impair the service rendered to the people of the United States by the radio broadcasters. Certainly in time of war we should not do anything to impair that service. It is of vital importance that the people of the United States shall have the best possible reception from their broadcast stations in time of war.

Mr. BURTON. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. BURTON. The Senator has been dealing with two separate subjects.

Mr. LA FOLLETTE. Yes.

Mr. BURTON. The appropriation for the Foreign Broadcast Intelligence Service, amounting to half a million dollars, and the appropriation for the Radio Intelligence Division, involving a million dollars. As I understand, the proposal before the Senate will require that we act on both subjects at the same time. Does the Senator intend to afford us opportunity to act on each separately?

Mr. LA FOLLETTE. I have not any control of that. The pending amendment is sponsored by the Senator from New York [Mr. MEAD]. I have merely been seeking, since there are not many Senators present, to make it plain for the RECORD that there is a fixed responsibility in this matter, and I merely took up and discussed those two separate divisions, so that I could attempt to eliminate what I fear is some confusion in the thinking of Senators who are not on the committee, and who have not had opportunity to go into this matter.

I may say, as an aside, that I think that in all probability, in view of our subsequent involvement in war, the Commission probably chose bad names for both these divisions by incorporating the word "Intelligence" into them, because that immediately arouses in the minds of Senators and other interested parties the idea that they have something to do with military or naval intelligence. I shall show, as I proceed, that it is only incidentally, and only as they are specifically requested to do so by the Army or Navy, or divisions thereof, that any military or naval intelligence service is rendered by either one of these divisions of the Federal Communications Commission.

Mr. BURTON. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. I am glad to yield.

Mr. BURTON. Am I to understand that there is any necessary relationship between these two items? Might it not be possible that Senators who wish to preserve the Foreign Broadcast Intelligence Service with an appropriation of \$500,000 can vote to do so, and yet be opposed to using \$1,000,000 against the

recommendations of the War and Navy Departments? Yet the pending question requires us to approve the \$1,000,000 as well as the \$500,000 in order to save the \$500,000.

Mr. LA FOLLETTE. Of course, Senators may have a feeling about either one of these services. So far as I am personally concerned, I think they should both be continued in operation. But Senators may differ about that. As I say, however, the amendment is sponsored by the Senator from New York [Mr. MEAD] and is not in my control.

Mr. BURTON. I thank the Senator.

Mr. LA FOLLETTE. Mr. President, with that brief statement in a preliminary way I wish to discuss this matter in a little more detail. I listened to the entire debate on Thursday, and the only basis that I understood to be advanced for the proposal to cut \$2,163,857 from the appropriation for the Federal Communications Commission was that its war activities duplicated the work of the Army and the Navy. I have been unable to find any evidence in either the record of the House committee or in the record of the Senate committee, or in the debate on last Thursday, to support that contention, unless it be the letter made public by the Cox committee of the House, from Admiral Leahy addressed to the Secretary of the Navy, and before I conclude I shall make further reference to that letter. But there is no other evidence that I am able to find in either the testimony taken by the House committee or the testimony taken by the Appropriations Committee of the Senate.

As to \$1,163,857 of the amount proposed to be cut, it has not even been suggested by anyone that any duplication is involved. The House reduced, as I have said, by \$500,000, the amount which is necessary for the work of the Commission's Foreign Broadcast Intelligence Service. That is a purely war activity, and one established at the request of the Secretary of State.

The Commission is engaged 24 hours a day in listening to and recording foreign radio broadcasts and reporting on them to several hundred offices throughout the Federal Government—in the Office of War Information, in the State Department, in the Foreign Economic Administration, in the Office of Strategic Services, in the Army, in the Navy, and others. The Army and Navy do not do this work. No other agency in the Government does this work. The Foreign Broadcast Intelligence Service is the only agency which we have for finding out what the enemy is saying over the radio to its home population, and, what is more important, Mr. President, what it is saying to our population and to the populations of every other country in the world, Allied or neutral, outside the Axis.

The Army and Navy have not asked that this work be transferred from the Commission, and so far as I am able to ascertain—and I have gone to the trouble of making some inquiries—they are completely satisfied with the service which they receive from the Commission.

The Senator from New York [Mr. MEAD], during his discussion on last Thursday, put in the RECORD letters from

various Army and Navy officials indicating complete satisfaction and in many instances enthusiastic approval of the work being done by the Federal Communications Commission. I heard it whispered around the Senate off the record that those letters had been solicited by Mr. Fly or by someone in the Federal Communications Commission. I do not believe that to be a fact, and if Senators will read Dr. Leigh's testimony they will see that he pled with the chairman of the committee to make a genuine effort to find out on the initiative of the Appropriations Committee what the various branches of the Army and Navy felt about its work. But the chairman did not feel that that was in his province. However, I will digress long enough to say that in my opinion, before striking down or crippling these two Divisions, it would have been better if the Appropriations Committee had made a thorough investigation of the matter. The blind swinging of the appropriations ax, Mr. President, may turn out to be of benefit to our enemies rather than to that of the taxpayers of the United States.

The balance of this \$1,163,587 portion is taken from the Commission's regulatory functions which no other agencies perform. Therefore we can eliminate any question of duplication in connection with the work covered by that amount.

That leaves \$1,000,000 as to which even a question of duplication has been raised. This concerns the work of the Commission's Radio Intelligence Division. Even here we have been given only general and unsupported statements. No facts whatever are cited in support of it, so far as my reading of the House and Senate committee hearings and the debate on last Thursday are concerned. The Radio Intelligence Division monitors the radio spectrum.

Mr. BRIDGES. Mr. President—

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I yield.

Mr. BRIDGES. I was not in the Chamber when the Senator from Wisconsin began to speak, but I should like to ask him how he divides the increase called for by the so-called amendment offered by the Senator from New York [Mr. MEAD]?

Mr. LA FOLLETTE. As I understand, the House cut out \$1,000,000 from the Radio Intelligence Division. The House cut \$500,000 from the Foreign Broadcast Intelligence Service. I am now reading the figures from Mr. Fly's formal letter requesting restoration of funds cut by the House. New positions requested, \$113,607. Personnel Division, \$21,897. Budget and Planning Division, \$19,353. Which makes a total of \$1,654,857 cut by the House below the Budget estimates.

In his letter the Chairman asked for the restoration of the \$1,000,000 cut off the estimate of the Radio Intelligence Division. He asked for restoration of the \$500,000 cut off the estimate of the Foreign Broadcast Intelligence Service, \$46,369 for 15 new positions in the Foreign Broadcast Intelligence Service for

expanding the coverage of Japanese broadcasts, and \$52,965 for 14 new positions in the Engineering and Accounting Departments for rate and integration work required principally because of the recent merger of domestic wire telegraph carriers.

Then, as I understand, the Appropriations Committee of the Senate, instead of restoring any of these items, made a further cut. I hope the Senator from New York will correct me if I am mistaken, but my understanding is that his amendment provides for the restoration of the amounts asked for by Mr. Fly in his letter, insofar as the cuts of the House are concerned, and the restoration of the cut of the Senate Appropriations Committee. Is that correct?

Mr. MEAD. Mr. President, will my colleague yield?

Mr. LA FOLLETTE. I yield.

Mr. MEAD. That is correct, except on page 12, line 2, there is one amendment which is not included in the amendment I sent to the desk. That can be restored by merely eliminating the figure recommended by the Senate committee, and by accepting the figure "\$2,209,000" which came from the House. But other than that, I have restored in my amendment the five items the Senator has set forth, except the one item on page 12, line 2, which can be restored, as I have said, by merely eliminating the Senate committee's figure, and accepting the figure "\$2,209,000."

Mr. LA FOLLETTE. In other words, except for the amendment on page 12, my statement was correct, and the net effect would be as I stated, if the Senate committee's amendment on page 12 were rejected.

Mr. BRIDGES. Mr. President, what I was referring to, if the Senator will permit me to say so, was the amount of the so-called Mead amendment which would be applied to the regular functions, as segregated from the special functions referred to.

Mr. LA FOLLETTE. It is my understanding that \$1,163,587 is the portion taken from the Commission's regulatory functions—namely, the functions of the Radio Intelligence Division. I previously said, before the Senator entered the Chamber, I think, that the Commission made a mistake when it selected that name, because during war it immediately creates in the minds of people the impression that military and naval intelligence activities are referred to. However, the record shows, and my personal checking also shows, that the Radio Intelligence Division does no military or naval intelligence work unless it is specifically requested to do so by someone in the Army or in the Navy.

Mr. BRIDGES. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. BRIDGES. Is it the Senator's thought that the Radio Intelligence Division, so-called, is a permanent function of the Commission, and would continue, regardless of the emergency period through which we are now passing?

Mr. LA FOLLETTE. I think that in response to some requests from the Army and Navy the Federal Communications

Commission has expanded that service as a part of the wartime activity. But according to my understanding of the subject, the Commission had a Radio Intelligence Division—it may not have been called by that name, but performed the functions of the Radio Intelligence Division—practically from the time when the Congress passed the Federal Communications Commission Act. That Division is the police arm of the Commission. It is the branch of the Commission which keeps broadcasters within the terms of their licenses, insofar as their wavelength bands, their antenna systems, and the amounts of power used are concerned.

Mr. BRIDGES. Mr. President, can the Senator cite evidence or authority as to who requested the Commission to expand that service in wartime?

Mr. LA FOLLETTE. The only evidence I have is that contained in the hearings. The Foreign Broadcast Intelligence Service, as distinguished from the Radio Intelligence Division, was set up at the request of the Secretary of State. The wartime activity of the Radio Intelligence Division, as I understand it, was undertaken at the request of various sections of the War Department, the Navy Department, and the Coast Guard.

Mr. BRIDGES. Can the Senator refer to any specific statements in that connection? I have heard that statement made on many occasions but I have not been able to locate any authority for the statement to that effect which the Senator and others have made.

Mr. LA FOLLETTE. The statement was made by Chairman Fly and by Commissioner Jett, and was not contradicted by any other person or by any testimony or by any documents or letters in the hearings of the Senate Appropriations Committee.

Mr. BRIDGES. If the Senator from Wisconsin, able and searching as he is, is unable to find any evidence of a direct request for the service, or if there is none in the record, would it not be fair to assume that none existed?

Mr. LA FOLLETTE. No; I do not think that would be fair at all, in the face of the uncontradicted testimony by the Chairman of the Commission and by Mr. Jett, a member thereof.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I am glad to yield.

Mr. McKELLAR. In a moment I shall read from the testimony of the heads of the Army and the Navy as to this point; I shall read from the House committee report. I understood the Senator to say awhile ago that the military intelligence service was to be for the use of the Army and the Navy, when the Commission was called upon by them. I believe Mr. Fly so testified, and I think the Senator is correct in that statement.

I desire to call the Senator's attention to the following language by the Secretary of War and the Secretary of the Navy:

Since radio intelligence develops information as to the movements and dispositions of the enemy, it is essential, for reasons of coordination and security, that there be full military control.

Since the responsibility for military action rests with the armed forces, the responsibility for obtaining the technical information governing that action must also be in the armed forces.

Military activities have been hampered by severe shortages of trained personnel and critical equipment essential to radio intelligence.

And so forth. So, Mr. President, we have the head of the Army and the head of the Navy saying that this military intelligence must be under the control of the Army and the Navy. Certainly, that should meet with the approval of Mr. Fly. Then, who in the Army or the Navy will call upon Mr. Fly or the Federal Communications Commission for military intelligence?

Mr. LA FOLLETTE. Mr. President, I think we are again confused because of the unfortunate name which has been attached to this Division. It is called Radio Intelligence; and, naturally, many persons jumped to the conclusion that the activity of the Division was in the field of military and naval intelligence. Such is not the case. The main activity of the Radio Intelligence Division has been to discharge the responsibility, fixed upon it by statute, to police the domestic radio wave bands. Incidentally in the course of that activity—for, as every Senator knows, broadcasting stations are operating all over the Nation, and in our Territories—it is necessary for the Commission to monitor radio stations; and for many years the Commission has had set up fixed monitoring stations, as well as portable monitoring stations which go from place to place, to make certain that the broadcasters are keeping within the terms of their respective licenses, as I have said before, insofar as their power, their antenna systems, their equipment, and the use of their particular kilocycle assignments on the radio wave-bands are concerned. When the attack on Pearl Harbor occurred, the Army and the Navy had no such system. In monitoring the broadcast spectrum and the short-wave broadcasting stations—Senators must bear in mind that there are private concerns which are licensed short-wave broadcasters—it is true that the Commission has picked up military information. In listening to what came over the air the Commission inevitably obtained such information. For instance, the Senator knows that the Commission obtained a "fix" on a radio station located in the German Embassy in Washington, which it was successful in locating, fortunately, so that the station never had an opportunity to communicate with Germany. But, Mr. President, I think the evidence shows, as I previously stated—with the exception of Admiral Leahy's letter, which I shall come to—so far as the testimony before the House committee or the Senate committee is concerned, that there is not one scintilla of either oral or written testimony, or documents, to contradict Mr. Fly's unequivocal statement, supported by that of Commissioner Jett, that the Radio Intelligence Division does not perform any military or naval intelligence work unless requested to do so; and it has been requested to do so.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I will be glad to yield in just a moment.

One other thing which this agency must do is to make certain that merchant ships at sea have proper radio equipment, and to make certain that when it is desired to use it for emergency purposes, any interfering broadcasts which are taking place from our private broadcasters in the United States shall be discontinued.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I wish the Senator would let us know what military leader has asked for this service. The Secretary of War has not asked for it. The Secretary of the Navy has not asked for it. The commanding generals of the Army have not asked for it. We had no evidence before us to show that anybody was asking for it. I believe Mr. Fly said that some general said he wanted it, and some colonel said he wanted it; but I believe that was only a casual conversation. Those gentlemen are under the control of the military leaders, and our military leaders have certainly not asked for it. Indeed, they have signed a statement to the effect that they have all the military intelligence service that is necessary. They think that such activities ought to be under their control. They are now under their control, and this other service is not needed. That is the reason why the committee acted as it did.

Mr. LA FOLLETTE. I recall the statement that they were specifically requested to monitor ship traffic for the Coast Guard since the beginning of the war. I remember specifically that they have been asked to assist the Air Corps in the location of lost aircraft. According to my recollection of the testimony, more than 400 lost aircraft have been located at the specific request of the particular branch of the service under whose direction those planes were flying, in order that they might get what is called a fix by taking the waves from transmitters from different angles. The statement was made in the record that, entirely aside from the personnel saved, the value of the equipment saved for the various armed services and for the Coast Guard is more than the amount of this appropriation.

Mr. McKELLAR. No Army officer or Navy officer testified to that effect.

Mr. LA FOLLETTE. Mr. President, that does not disturb me at all. This testimony was given by Mr. Fly. It was given by Mr. Jett, and there was no evidence introduced into the record before either the House committee or the Senate committee to refute that testimony. So far as I am concerned, I think that under any proper rules of evidence the burden of proof should be upon the committee, or upon someone else, to show that this service should be crippled or stricken down.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield?

Mr. BRIDGES. The Senator from Wisconsin always assumes a fair attitude

in debate. Does he not believe that if Mr. Fly, Mr. Jett, or anyone else made the statements which he attributes to them, such statements should be substantiated by a showing that someone in authority in the Army or Navy requested the service? I have not been able to find such a request in the evidence, and I should like very much to have the Senator from Wisconsin point out anything in the record which shows that someone in authority formally requested the service. I mean by that the Secretary of War, the Secretary of the Navy, the combined Chiefs of Staff, Admiral King, General Marshall, or someone with like authority.

Mr. LA FOLLETTE. On the second day that Mr. Fly appeared before the committee, he testified that on the previous day, while his testimony was in progress, the Radio Intelligence Division had been asked to take a bearing on a plane lost at sea. In the record there are several letters mentioning specific instances of planes which have been thus discovered, at the request of some branch of the military service. Without such a request, the Federal Communications Commission might not even know that the plane was lost. It is obvious that it must be requested to take this action, because as the Senator knows, the flight of military, naval, and Coast Guard aircraft is a matter of the highest military secrecy. The Federal Communications Commission could not be brought into the picture unless a request were made for its assistance.

So far as I am concerned, I am assuming that Mr. Fly and Mr. Jett were telling the truth before the House committee and the Senate committee, there being no substantive evidence to disprove their statements.

Mr. BRIDGES. The Senator is proceeding on the assumption that the testimony which they gave was correct. It is fair to assume, then, that he knows, from reading the testimony, that there are certain informal examples, but that he knows of no formal request from the Army or Navy for this specific service of the Federal Communications Commission.

Mr. LA FOLLETTE. Let me refer to one letter which is in the record. It reads as follows:

HEADQUARTERS, SEVENTH AIR FORCE,
OFFICE OF THE AIR FORCE COMMANDER,
A. P. O. No. 953, May 15, 1943.
Subject: Assistance rendered by Federal Communications Commission in locating lost airplanes:

To: Federal Communications Commission, Supervisor Radio Security Center, P. O. Box 3886, Honolulu, T. H.

1. In the past months numerous calls have been made upon the Federal Communications Commission radio facilities to obtain bearings and fixes upon lost airplanes. These bearings and fixes have proven accurate and most helpful. In one particular instance on March 5, 1943, the assistance rendered by the Federal Communications Commission resulted in the prompt locating and rescuing of the crew of a bomber forced to land at sea.

So far as I am concerned, that one instance is enough to justify every dollar of the appropriation. If Senators are not interested in saving flyers for the sake of their wives and families, they cer-

tainly ought to be interested in them from a monetary standpoint, because we have spent thousands of dollars in training every one of them.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Not at the moment. I wish to finish reading the letter:

On another occasion, March 19, 1943, bearings received from the Federal Communications Commission assisted in locating a plane which was in imminent danger of being forced to land at sea. Largely as a result of these bearings this forced landing was averted.

2. Other instances too numerous to mention have occurred in which the assistance given by the Federal Communications Commission has been of inestimable value. The facilities of Federal Communications Commission have been, and still are, absolutely necessary to the successful operation of the Army's lost-plane procedure in the Hawaiian area.

3. I wish to commend the Federal Communications Commission and its men responsible for this assistance. It has been of great value and in numerous cases directly responsible for the saving of lives and valuable equipment.

WM. J. FLOOD,
Brigadier General,
United States Army, Chief of Staff.

Mr. President, as I stated while I was reading the letter, if the Commission's activities in this field were carried on as a result of its own necessary duty in monitoring the radio spectrum, and it found these lost planes as an incident to such activities without a request of the Army or Navy, so far as I am concerned, I am glad to see those men and that equipment saved. This letter clearly shows that the Seventh Air Force in Hawaii has been making requests, in the general's own language, "too numerous to mention."

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BRIDGES. The Senator does not mean to infer that anyone who is against this appropriation wishes to see American flyers killed or American planes lost, does he?

Mr. LA FOLLETTE. Of course not, but I wish to bring the facts before the Senate, and I should like to have this matter considered, if possible, on its merits. I do not believe it is being considered on its merits. I want the RECORD to show, before Senators vote, exactly what the facts are insofar as I have been able to obtain them. Thereafter, of course, any Senator who votes another way I shall assume is voting because of his judgment and his belief that it is the wise thing to do. However, with regard to the important phase of the activities of the Federal Communications Commission in policing the domestic radio spectrum, in the service they are performing in assisting in locating lost planes and in eliminating and preventing the activities of enemy agents utilizing short-wave transmission, I want to see them continued. I do not wish to see them struck down for reasons other than those which are here in the record.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I do not know what other reasons the Senator could have. We were told by Chairman Fly, when he came before our committee, that he wanted to be heard, and I think we heard him with fairness and consideration.

Mr. LA FOLLETTE. I am not making any complaint about the hearings.

Mr. McKELLAR. We gave him every consideration.

Mr. LA FOLLETTE. I have made no complaints about the hearings.

Mr. McKELLAR. I thought perhaps the Senator was complaining.

Mr. LA FOLLETTE. The Senator from New Hampshire [Mr. BRIDGES] asked me whether I thought Senators would not be interested in the saving of lives, and I simply wanted to say that I was putting the facts in the RECORD so that every Senator would at least be presumed to know what he was doing when he voted on this amendment, and that I did not want to see the amendment defeated for reasons which are not in the public record.

Mr. McKELLAR. Mr. President, the Senator refers to a lone instance in which a plane cracked up.

Mr. LA FOLLETTE. No; I quoted the general's letter in which he said, among other things, that in addition to these specific instances—

Other instances too numerous to mention have occurred in which the assistance given by the Federal Communications Commission has been of inestimable value. The facilities of the Federal Communications Commission have been, and still are, absolutely necessary to the successful operation of the Army's lost-plane procedure in the Hawaiian area.

Mr. President, I do not wish to divulge anything which by direction or indirect might be considered to be military information, but I do wish to say that all any Senator needs to do is to look at a map of the Pacific in order to realize that in the operations in the Pacific there lies the greatest hazard from the loss of planes and equipment.

Mr. McKELLAR. Mr. President, if the Senator will permit me, I wish to say that many times private radio companies have saved lives in exactly the same way, but I should doubt the wisdom of subsidizing private radio companies under such circumstances, just as I am opposed to subsidizing this particular civilian activity of the Government.

Mr. LA FOLLETTE. Mr. President, this is not a subsidy. This is an appropriation to carry out the statutory functions of the Federal Communications Commission. They are charged with the responsibility of seeing that all licensed broadcasters in the United States, and in all the Territories of the United States, operate in accordance with their licenses so far as radio frequency, their antenna system, their equipment, and the amount of power fed into the system is concerned. Every Senator who listens at all to the radio in the United States, especially if he is located near a metropolitan center, knows that it is absolutely essential to keep every broadcaster within the terms of his license lest the already confused situation in the broadcasting spectrum

be made more so by unauthorized utilization of power or of frequency.

Mr. MEAD. Mr. President, will my colleague yield to me?

Mr. LA FOLLETTE. I yield.

Mr. MEAD. In addition, the Federal Communications Commission have the second duty, namely, to protect the broadcasting system of the country from illegal interference.

Mr. LA FOLLETTE. Certainly. I have mentioned that. For instance, if a transformer at a subpower station near Philadelphia on the Pennsylvania Railroad System begins to leak it may upset the entire reception of radio signals for miles around, because of the leak being of a high-frequency character. It is the duty of the Commission, under the law, to locate that leak and have it corrected. They do that all the time. I have before me a map which shows where these stations are located. I shall be glad to show the map to any Senator who desires to look at it. It will be seen that the stations are scattered at strategic places all over the United States, and are located at those places for the reason that broadcasting extends all over the United States. It is necessary for the Commission constantly to monitor those stations in order to make certain they are operating according to their licenses. It is also necessary to locate unnecessary interference as a result of transmission lines, and transformer or power-station leaks. It is also necessary to locate the use of equipment of a high-frequency character such as X-ray, diathermy, and other machines of a similar nature.

Mr. MEAD. Mr. President, will my colleague yield to me?

Mr. LA FOLLETTE. I yield.

Mr. MEAD. The statement has been made that military experts have casually made mention of this service, and the Senator has just touched upon a very vital area. I hold in my hand a letter which is not in the RECORD or in the hearings, and, because of its confidential nature, I cannot quote it in its entirety, but it bears on the activities indicated on the mapped area which the Senator has just mentioned. It commends the Federal Communications Commission for their services in the west coast-Hawaiian areas. It concludes by saying:

Insofar as it will not interfere with the continued functioning of this service, the Army Air Forces are pleased to have the opportunity to make emergency use of your present direction-finding facilities.

The letter is signed by H. H. Arnold, lieutenant general, commanding general of the Army Air Forces.

Mr. McCARRAN. Mr. President, will the Senator from Wisconsin yield in order that I may propound a question to the Senator from New York?

Mr. LA FOLLETTE. I yield.

Mr. McCARRAN. Are we to understand from the excerpt which was read by the Senator from New York that neither the Army nor the Navy deems this service to be essential?

Mr. MEAD. We are to construe it, if I may say so, as a commendation by the Army and Navy of the Federal Com-

munications Commission for its cooperation in the past, and as an expression of their desire to make continued use of these direction-finding facilities.

Mr. McCARRAN. But nothing in the excerpt read by the Senator from New York is to be construed as an expression of the Army or the Navy that this service is not essential.

Mr. MEAD. Nor is it to be construed in any way to take issue with the findings of the Commander in Chief, who took issue with the Secretary of War and the Secretary of the Navy.

Mr. LA FOLLETTE. Mr. President, the Radio Intelligence Division monitors the radio spectrum to detect any unlicensed radio activity; and it is engaged in running down and eliminating radio signals from the improper operation of authorized transmitters and many medical, commercial, and industrial devices which interfere with our essential radio circuits. This work has been lodged by the Congress in the civilian agency charged with regulation of radio since the first Radio Act of 1910—the Department of Commerce until 1927, the Federal Radio Commission from 1927 to 1933, and the Federal Communications Commission since 1934. Through the years in the past and through the years to come it has been and will be the duty of the Commission to license stations, to see that they are operated so as to avoid interfering with other stations, and to patrol the ether to detect any unlicensed operations. This is the necessary and continuing function of this regulatory Commission.

Yet if the action of the House and the recommendation of the Senate Appropriations Committee shall be accepted, the activities of the Radio Intelligence Division will be crippled and rendered practically ineffective.

Even if the question were presented here, which clearly it is not, it would be wholly unwise to turn this Commission's regulatory work over to the military agencies and have them carrying on this regulatory work throughout the length and breadth of this land. As the Senator from New York suggested this morning, because we are engaged in war and because the Interstate Commerce Commission, in its control of the railroads, regulates an essential war activity, we might just as well, and for the same lack of reason, turn over the activities and the regulatory functions of the Interstate Commerce Commission to the armed services. When the F. C. C. has the job of running down the unlicensed transmitters, necessarily it has the job of running down the unlicensed transmitters which are operated by spies—in other words, the clandestine stations. There is not only no other feasible way to do this job, but the fact of the matter is, there is no other way to do it.

In other words, if the Commission monitors the ether from this network of stations [indicating on map] established over the United States for the purpose of policing the ether so far as the domestic broadcasters are concerned, both on the broadcast band and on the short-wave band, of necessity the F. C. C. has to and should pick up any activity by any un-

licensed espionage agent who may be trying to communicate with his principal in an Axis country. The record shows that 360 unlicensed activities have been found; one was found by this service in the German Embassy here, immediately after Pearl Harbor.

I firmly believe that it is because of this efficient activity that there has been so little effort made by the Axis to establish unlicensed and illegal operations of an espionage character. If we cripple the activities of the Commission in this field, we will invite the Axis agents to set up such stations.

No other agency of the Government does this work. The Army and Navy make no claim to doing it. The trial of the large group of spies in New York City a couple of years ago, which was so effectively prosecuted by the Department of Justice, was largely a radio trial. And it was the Radio Intelligence Division men who did the radio-location work involved and who monitored the circuits to pick up and record the traffic, and who testified at the trial leading to the conviction of those spies. Does the Senate want to vote to make that service less efficient; does the Senate want to vote to cripple it so that spies can more freely communicate with their principals in the Axis enemy countries?

I have referred to the transmitter in the German Embassy on Massachusetts Avenue in this very city, but I want the Senate to know that the Radio Intelligence Division had that transmitter located before it had even succeeded in establishing contact with Germany.

Mr. President, I cannot find any contention in the record that the armed services have done a single thing about closing out the espionage nests in Central and South America. The record is very clear, and it shows that the very same radio-location stations on United States territory were utilized to "fix"—that is a technical term—the approximate location of each one of those stations. Commission representatives went to those neighboring countries under the general direction of Secretary Hull and there, cooperating with the local governments, effectively assisted in closing out the espionage radio operations in Central and South America. I may say, Mr. President, that more important than eliminating and preventing the reopening of any illicit, illegal radio communications in Central and South America with our enemies, is preventing their reopening here in the United States and elsewhere in our territory.

In fact, the Army and Navy have continuously in the past recognized and today recognize that this work is the responsibility of the Commission. When in 1940 it was found advisable to expand the facilities for doing this work to meet the needs of national defense, the Commission was furnished a large amount of key equipment by the Navy and sites for 40 secondary stations at Army posts throughout the country by the Army. At that time Rear Admiral Ingersoll, Acting Chief of Naval Operations, recognized the Commission's responsibility in this field

when on August 31, 1940, he informed all naval ships and stations:

The Federal Communications Commission is generally responsible for the surveillance of unlicensed radio stations. * * * The Navy should accord the greatest cooperation to the Commission in this surveillance which is of great importance to national defense.

And when war came, the responsibility of the Commission for this work was specifically confirmed. On December 31, 1941, Rear Admiral Noyes, Director of Naval Communications, wrote the Commission's Chief Engineer as follows:

The Federal Communications Commission has a very important assignment in detecting, locating, and suppressing clandestine radio stations in the United States.

Similarly General Arnold wrote the Commission on October 21, 1942:

The Federal Communications Commission has performed an excellent service in preventing or detecting unlicensed radio operation and subversive communications.

The Army and Navy, like the other Government agencies, including the F. B. I., rely on the Commission to run down illegal and clandestine operations and to eliminate signals interfering with their radio circuits in this country.

That is the point I should like to drive home, Mr. President. It is entirely possible that if faulty electrical equipment throws out interference, it not only will interfere with domestic broadcasters in this country, in their particular areas or localities, but it may very well interrupt the most important military traffic being carried through the ether by the Army or the Navy or the Coast Guard. Do Senators want to curtail and injure and reduce the efficiency of this division, and have that happen?

Would the Army and Navy report these cases to the Federal Communications Commission for investigation if they were already doing the work themselves? Of course not; yet in the past few years thousands of such cases have come to the Federal Communications Commission from the military services. Just a few days ago Senators may have noticed the news account of the arrest of three Japanese internees who were operating a transmitter at a prison camp. Had the Army been able to cover this, it is passing strange that it relied upon the Commission to do the job.

The simple fact is that the Federal Communications Commission is the only agency doing this work in this country, and if we want it done—and it must be done—we must make the necessary funds available to the Commission for doing it.

One other point I want to stress is that the same stations which are necessary to running down unlicensed and clandestine operations and to eliminating interference are used most effectively in carrying on other related work. In other words, the Commission must have these stations to fulfill the duties we have explicitly placed upon it. But at the same time, these same Commission facilities—as I have shown them on the map, scattered over the United States and located in our Territories—are used extensively by other Government departments, including the Department of State, the Foreign Economic Administra-

tion, the Weather Bureau, the F. B. I., the Office of Censorship, and others. For example, the Army and Navy, as well as the Civil Aeronautics Administration, have found these facilities most valuable in helping to save aircraft which have lost their way. The Civil Aeronautics Administration and the Army Air Forces have even asked to have special procedure set up for invoking the aid of the Commission's facilities.

On May 29, 1943, after one particularly spectacular case, Major General Giles, Acting Chief of the Air Staff, wrote Chairman Fly:

General Arnold wishes me to tell you that he genuinely appreciates the splendid assistance which the Radio Intelligence Division of the engineering department of your Commission gave to the Air Transport Command in connection with the rescue and recovery of the marooned flyers and their planes from northern Quebec. The emergency direction-finding service rendered by the Radio Intelligence Division is an excellent example of the direct aid which a civilian agency may give to the Army in the prosecution of this total war.

In all, the record shows the Commission has rendered emergency direction-finding services to more than 400 lost aircraft. It is now being called upon at least twice every day to give aid to Army aircraft which have lost their bearings. It takes the saving of but one or two planes to get back for the Government the million dollars which the Radio Intelligence Division needs to carry on its present work.

Mr. President, that does not even bring into consideration our urgent responsibility to save every one of these young men who can be saved. We owe it to their families, we owe it to their friends, we owe it to the United States. It takes a long time to train these men for combat, bomber, and transport flying.

Mr. TRUMAN. Will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. TRUMAN. I approve what the able senior Senator from Wisconsin has said. It seems absurd to train these young men and to build these planes, and then, in case of emergency, take away a chance to save not only the young men, but the planes, and contribute to the welfare of the whole country.

Mr. LA FOLLETTE. I thank the Senator; I knew he would feel that way about it.

For the life of me I cannot understand why an effort should be made to cripple this service, which is required by statute, which must be carried on if the broadcasting spectrum is to be policed, and there is to be any order in it whatsoever; and God knows there is not enough order in it now, because of the multiplicity of stations, and their close proximity on the wave bands.

As a part of its general activity, the Commission is able to render this service. Senators can ignore a statement such as that contained in Brig. Gen. William J. Flood's letter if they wish to, but, so far as I am concerned, it would be worth every dollar involved in the amendment if only one bomber and its crew, or even just the crew, were saved. I go further; it would be worth more than a hundred

times this appropriation if we could save only one of these fine young men, who represent the cream of America's youth.

I say again, Mr. President, that the burden of proof is upon those who wish to strike down this service, and there is not a scintilla of evidence in the record, aside from Admiral Leahy's letter, to which I am coming, upon which to predicate and to justify this action.

Mr. HATCH. Will the Senator yield?

Mr. LA FOLLETTE. For what purpose?

Mr. HATCH. I desire to suggest the absence of a quorum, because the Senator from Wisconsin is making a very able argument on this all-important matter.

Mr. LA FOLLETTE. I desire to be entirely frank with the Senator. I shall not yield for that purpose, because the Senate is not interested in this subject. The votes have already been lined up to kill this amendment. But I want the record made here, so that when some one of these planes, or more, go down at sea, and the crews are not rescued, those who are primarily concerned may be able to turn to the roll call on this amendment and find out who is responsible for it.

I also wish to say, Mr. President, that, in my humble opinion, the defeat of this amendment is not going to build up political sentiment for any group that takes part in such action.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Not for the purpose of suggesting the absence of a quorum.

Mr. HATCH. I am not going to make that suggestion now. The Senator has said that the Senate is not interested in the question he is discussing. I am afraid the Senator is wrong in that statement. I think Senators would be interested if they could be present and hear the discussion which the Senator from Wisconsin is making. For that reason I should like to suggest the absence of a quorum.

Mr. LA FOLLETTE. Mr. President, I must decline to yield for that purpose.

I believe that not only one or two lost planes but many planes will be saved if this money is made available. There will be many planes lost if it is not made available. In the brief time the debate on the floor proceeded last Thursday the Radio Intelligence Division was giving emergency aid to two B-24 bombers.

As I have said, the facilities necessary to track down the radio spy and an interfering signal are most effectively used in related work for other Government agencies. If the Senate should kill these very related uses of these same facilities, it not only would not be eliminating duplication but it would be requiring duplication; for in this respect, I repeat what I said in the beginning, the Federal Communications Radio Intelligence Division and its Foreign Broadcast Division are simply operating as service agencies, in addition, so far as the Federal Radio Intelligence Division is concerned, to complying with the statutory requirements that it police the ether.

Suppose the Senate kills this service. Is it not obvious that General Arnold will

be forced to duplicate these stations and these operations? In the name of economy are Senators going to vote to build up a new set of these stations all over the United States, perhaps two or three sets of them, one to serve the Army, and one to serve the Navy? Is that economy? Senators cannot deny that the Commission must continue carrying on as best it can the business of policing the broadcast bands.

Mr. WILEY. Mr. President, will my colleague yield to me?

Mr. LA FOLLETTE. Yes; I yield.

Mr. WILEY. I am very much interested in what my colleague has said. He is a member of the Appropriations Committee—

Mr. LA FOLLETTE. No; I wish to disabuse the Senator's mind. I do not have that honor.

Mr. WILEY. I beg the Senator's pardon. I should like to ask my colleague one question. Apparently the House has taken action differing from what he suggests should be done. The Senate committee has also taken action different from what my colleague suggests. Could the Senator briefly enlighten me as to what were the reasons for the action thus taken by the House and by the Senate committee? In other words, how would they answer the argument which my colleague has made?

Mr. LA FOLLETTE. Mr. President, in all fairness I do not think the Senator should call on me to make an argument in support of the committee's position, to which I am opposed. As the Senator knows, I am not a lawyer, but I believe even a good lawyer would be embarrassed if he were asked to change clients in the midst of his argument and instead of being for the defense, go over to the prosecution. But I will say to my colleague that a diligent search of the House committee testimony and a diligent search of the Senate committee testimony does not show one scintilla of evidence to justify the action of the House or of the Senate committee, with the exception of Admiral Leahy's letter to the Secretary of the Navy, which I shall discuss before I take my seat. I wish again to emphasize that, although that letter was marked "Highly Secret," it was made public by a committee of the other House, and therefore is a matter of public property and I feel at liberty to discuss it.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. Was that letter written before or after the President's reply?

Mr. LA FOLLETTE. It was written before the President's reply. It was written back in the spring of 1943. It was written February 1, 1943, the Senator from Maine [Mr. WHITE] tells me.

Mr. BARKLEY. Undoubtedly, of course, the President not only took into consideration all that Secretary Stimson and Secretary Knox said to him, but also what Admiral Leahy had said.

Mr. LA FOLLETTE. Of course. There was an exhaustive investigation made.

The charge was made here last Thursday in the form of a question by the Senator from New Hampshire [Mr. BRIDGES], that this proved that the President was running the war on a political basis and interfering with the military and the naval authorities, but Mr. President, this letter and the action of the President in this regard, so far as a civilian agency is concerned, certainly do not prove that contention. I do not want to go into that letter now, but I shall digress long enough to say that although I have the highest admiration for Admiral Leahy, it is my firm conviction that he did not personally make the investigation and that the person who made it was not sufficiently informed concerning the situation. The subsequent investigation and study of the situation ordered by the President after he received the letter from the Secretary of War and the Secretary of the Navy lasted for many months. He did not reply until some time in September of 1943. In his letter he denied Admiral Leahy's contentions, and then created an agency better to coordinate the activities of the various agencies in the radio field. But I do not want to go into that at the moment. I have nearly concluded.

Mr. President, I want to iterate what I have said before, that the Commission has not rendered any of these services to the military—and that includes the Army, the Navy, and Coast Guard—except by specific request in each and every instance. It does not make sense to me that the military authorities would request these services in these hundreds of instances, accept the services, and express their gratitude for the result attained, and then continue to call for additional services, if in fact they had their own duplicating facilities to do this work. I do not believe that the Senate will believe that when it comes to consider the question.

The Federal Communications Commission has worked in cooperation with all the departments of Government which rely upon its services. The inevitable effect, as I suggested a few moments ago, of accepting the action of the House and the recommendations of the Senate committee will be to invite these agencies to set up duplicating services which in the end will cost many millions of dollars more than is involved in the amendment of the Senator from New York. At the same time it should be pointed out that in connection with this initial action we are not supplying the money to provide these services anywhere else. So the net effect of our action, if the Senate rejects the amendment of the Senator from New York and adopts the committee amendment, will be to cripple or to destroy this service, and not set up anything in its place. That is why I want to emphasize that if we take such action the majority of the Senate must accept responsibility for the consequences, including the failure to rescue military planes lost at sea. These operations will die, and the ether will be thrown open to the enemies of this country. Mr. President, I submit that we could ill afford to indulge in such folly at the most critical and crucial period in our history.

I now wish to refer to the letter of Admiral Leahy, which apparently is the only authority which could be obtained by appropriations committees; at least, it is the only authority I have been able to find in the record of either the House committee or the Senate committee. The letter is dated February 1, 1943. As I have said, the responsibility for releasing it was assumed by the House committee, so I feel free to discuss it. It reads as follows:

MY DEAR MR. SECRETARY: In response to your memorandum to the Joint Chiefs of Staff, dated September 11, 1942, on the subject of responsibility for the conduct of security of military communications activities, the Joint Chiefs of Staff have had made a thorough and comprehensive study of the problems referred to therein in which full consideration has been given to the views of the military and naval commanders in the field who are charged with responsibility for military action based on radio intelligence. A summary of the findings is given in the following paragraphs—

Mr. President, I wish to digress from the reading of the letter long enough to say that I am informed that no member of the Federal Communications Commission or, insofar as the Commission could ascertain, none of the Commission's employees engaged in either one of these two activities, namely, the Radio Intelligence Division and the Foreign Broadcast Intelligence Division, was ever contacted by anyone representing either the Army or the Navy, and no examination was made of the Commission's facilities, except for a survey of the Commission's security methods, namely, its methods of preventing its information from "leaking" out to unauthorized persons. That record has already been read into the CONGRESSIONAL RECORD. But the report of the inspecting officer was that the security methods of the Commission were excellent. If I can put my hand on the report, perhaps I should make it a part of my own remarks at this point. The report is to be found on page 111 of the Senate committee record. It is directed to the Secretary, Joint Chiefs of Staff, Washington, D. C., through Commander G. B. Myers, and is signed by Earle F. Cook, lieutenant colonel, Signal Corps. It reads as follows:

1. In compliance with J. C. S. 138/3, dated December 1, 1942, subject: Security of Ciphers, and in accordance with the allocation of Government agencies made to the Army and Navy Security Sections, respectively, the following summary of findings at the Federal Communications Commission is submitted:

- (a) Cryptographic security—excellent.
- (b) Physical security (cryptographic systems)—excellent.
- (c) Documentary and information security—excellent.
- (d) Qualification of personnel—excellent.
- (e) Cooperation was given fully and willingly.

2. In view of the above, it is considered that no concern need be felt over communications originating or passed in the Federal Communications Commission organization at this time.

3. The established contact between Signal Security Service and the Federal Communications Commission will be continued.

For the Chief Signal Officer:

EARLE F. COOK,
Lieutenant Colonel, Signal Corps.

Mr. WILEY. Mr. President, if the Senator will yield to me, let me inquire what is the date of that communication?

Mr. LA FOLLETTE. April 6, 1943. That was 2 months after Admiral Leahy's letter was written. I read further from the admiral's letter:

In general, radio intelligence is the method of determining the enemy's plans and dispositions through observation of his radio communications. The facilities used for this are also used to assist our own forces through monitoring of communications channels to enforce security standards and to render assistance to our own craft.

Mr. President, in that paragraph Admiral Leahy was referring clearly to military and naval intelligence in the narrow sense of the expression. Neither the Federal Communications Commission nor any of its divisions does any military or naval intelligence work, unless it is specifically requested to do so by someone in the armed forces of the United States.

I read further from Admiral Leahy's letter:

Both the Army and Navy are engaged in radio intelligence and related activities. In addition, the Federal Communications Commission has set up an elaborate system of its own which is engaged in—

(a) The location of enemy units at sea and abroad.

I repeat that the Federal Communications Division does not do such work, except in isolated cases, and then only at the specific request of the Army or the Navy.

The admiral's letter continues:

(b) The interception of enemy army, navy, and diplomatic traffic.

The Federal Communications Commission does not intercept enemy army and navy traffic.

The letter continues:

(c) The location of clandestine stations.

The Federal Communications Commission does locate espionage stations, and has done this job efficiently and well, as I believe the record shows. That work is a responsibility, Mr. President, I reiterate, of the Federal Communications Commission, under the organic act creating it.

The letter continues:

(d) The giving of bearing aids to lost planes.

Mr. President, I wish to state at this point, as I have stated before, that that work is done only at the request of the Army or the Navy, insofar as military aircraft are concerned; and I cited the letter of Brigadier General Giles, the Chief of the Air Corps Staff in the Hawaiian area, saying that this service in helping to locate lost planes in that area is indispensable.

I read further from Admiral Leahy's letter:

(e) The maintenance of a "marine watch" at distress frequencies.

Mr. President, that is a responsibility of the Federal Communications Commission, under the organic act creating it. It has to maintain these marine watches, because if some ship at sea sends out a distress signal, it is the re-

sponsibility of the Federal Communications Commission to clear off the air all other traffic in the broadcast band, so that it cannot interfere with efforts to secure aid. Does the Senate wish to cripple that work? The Senator from Maine [Mr. WHITE] suggests that it is also an international obligation under our treaties with other nations.

Continuing to read from Admiral Leahy's letter:

(f) The monitoring of military radio circuits.

Any monitoring of the United States military radio circuits has been done at the request of the Army; and a letter was placed in the RECORD on Thursday by the Senator from New York [Mr. MEAD] commending the Federal Communications Commission for having done this work, thanking it, and saying that it had helped to suppress some obscene matter going over the air from military stations, and that in each and every instance those who were responsible and who could be proved guilty had been disciplined.

These activities of the Federal Communications Commission are constantly expanding and are a substantial drain upon available material and personnel.

Mr. President, the expansion was coordinated with and approved by the Army and Navy at every step. There was no drain on personnel. The Radio Intelligence Division has only 700 men, compared to the thousands of men in the Signal Corps. There is no drain on material, as the Radio Intelligence Division equipment is a mere drop in the bucket compared to that of the Signal Corps, and is not designed to military specifications.

Admiral Leahy's letter continues:

Radio-intelligence activities of the Federal Communications Commission tend to be less and less useful as the art progresses. This is due to integration into proper radio-intelligence systems of large quantities of secret military information accumulated through special processes by the armed forces, including exchanges of military information with our allies, knowledge of present and proposed disposition of forces, and other special information which for obvious reasons cannot be disseminated to an agency such as the Federal Communications Commission.

Mr. President, it is my judgment that the portion of the paragraph which I have just read is based upon the erroneous assumption that the Radio Intelligence Division of the Federal Communications Commission is engaged in military radio intelligence work. It is not, and the record shows that it is not. It does not perform such work.

Continuing to read from Admiral Leahy's letter:

Moreover, information obtained by the Federal Communications Commission through its own radio-intelligence activities is not, in the military sense, secure, due to inherent tendencies toward publicity of Federal Communications Commission activities, the use of nonsecure methods of reporting and correlation, and the necessarily close relationship of the Federal Communications Commission military intelligence activity with other phases of the agency's work.

Mr. President, I have already read from Lieutenant Cook's letter, written to the Joint Chiefs of Staff after Admiral Leahy's letter was written. On every score, the Colonel found the Commission's security methods, in the narrow military sense, to be excellent, and commended the Commission for its cooperation in that respect.

Coming back to the Admiral's letter:

Because of the essential differences between military and Federal Communications Commission standards and methods, it has not been possible to integrate their information, with the result that the attempted duplication by the Federal Communications Commission of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence.

Mr. President, I repeat that the Federal Communications Commission does not engage in military radio intelligence, and therefore there is neither opportunity nor occasion for the integration of its work.

Furthermore, Mr. President, the record is replete with letters from men in important positions in the military, attesting to the effective and valuable service rendered by the Radio Intelligence Division. As the record shows, General Strong, who is at the head of G-2 of the Army, has commended the work of the Commission in regard to its other activities.

Continuing to quote from Admiral Leahy's letter:

In view of the foregoing it is concluded that the better prosecution of the war will be served by terminating all military and quasi-military radio intelligence activities of the Federal Communications Commission and confining such activities to the Army and Navy.

As I have said, Mr. President—and I repeat—there is nothing to terminate, because there is no radio intelligence service, in the narrow military sense of the word, being carried on by the Federal Communications Commission, unless and except in those rare instances in which the assistance of the Commission is requested by responsible personnel in the Army or Navy.

Quoting further from Admiral Leahy's letter:

Since the Army's present need for personnel and equipment in the field of radio intelligence is greater than that of the Navy, all of the radio-intelligence facilities of the Federal Communications Commission should forthwith be transferred to the Army entirely. The personnel of the Federal Communications Commission heretofore engaged in radio intelligence should be made available initially as civilian employees of the Army, pending decision by the Army as to which shall be placed in military status, which replaced by military personnel, and which would be best retained in the Army as civilian employees.

The chief of the Signal Corps of the Army does not want the facilities of the Federal Communications Commission transferred to the Signal Corps. Senators will find his letter in the hearings.

Continuing to quote from Admiral Leahy's letter:

The foregoing conclusions are supported by the views of the Army and Navy com-

manders in the field who are charged with responsibility for military action based on radio intelligence.

The Joint Chiefs of Staff therefore request the Secretaries of War and Navy to join in a recommendation to the President that he transfer to the Army personnel and equipment now used by the Federal Communications Commission in the field of radio intelligence. A proposed Executive order is enclosed.

From the standpoint of the present problem, the promulgation of this Executive order would leave the Federal Communications Commission in the radio field, with the responsibility for monitoring, processing, and disseminating foreign voice, news, and propaganda broadcasts (its Foreign Broadcast Intelligence Service), the monitoring and inspection of stations licensed under the Communications Act of 1934, all necessary licensing procedures, including revocation and suspension, and the institution of prosecutions of licensed stations and operators for violations of treaty, statute, or regulations.

Mr. President, if I correctly understand it, that was a recommendation made by Admiral Leahy that the entire civil functions of the Federal Communications Commission, so far as licensing of radio and its policing, and all the rest of it is concerned, should be turned over to the armed forces. I submit, Mr. President, that I do not believe any Senator would be in favor of such a proposal. As I stated a moment ago, we might as well transfer to the Army all the activities of the Federal Power Commission and of the Interstate Commerce Commission merely because electric power and railroad transportation are vitally important activities in our war effort. Yet I am sure there would be no proposal to cripple those agencies or to turn their machinery over to the armed forces. Yet that is what, in effect, the admiral recommends. If that action were to be taken, we might just as well abolish the Federal Communications Commission.

The remainder of the letter is as follows:

The Army and Navy—in accordance with divisions of function between themselves—would have full and exclusive responsibility for the conduct of military radio intelligence as described in the present report.

Mr. President, after that letter was sent to the respective Secretaries of War and of the Navy they sent a joint letter to the President of the United States asking him to carry out this recommendation, and also asking that an Executive order be issued which would effectuate the recommendations contained in the letters of the Secretary of War and of the Secretary of the Navy. When their letter was received, the President of the United States caused an investigation to be made of this entire question. Following the usual procedure in the Executive Office when conflicting questions of an administrative character arise, the President called upon and utilized the Bureau of the Budget to make the inquiry. I noticed in reading the hearings that there was some criticism of the Bureau of the Budget indulging in this activity. It may be that the Bureau of the Budget has gone outside of the field which was contemplated when it was created, but every Senator familiar with the development of ad-

ministrative procedure in the executive arm of the Government knows that the Bureau of the Budget had become the operating arm of the Executive Office insofar as the organization of governmental agencies and structures is concerned. Be that as it may, I assume no Senator questions the right of the President to utilize the Bureau of the Budget to conduct this inquiry. But in any case a very thorough study was made of the whole question by the Bureau of the Budget. The investigation presumably continued for some time.

The President then wrote a letter to the Secretary of the Navy, dated September 7, 1943. Senators will bear in mind that Admiral Leahy's letter was dated February 1, 1943. After having this investigation made, and after having received the recommendation from the Bureau of the Budget, the President wrote the following letter:

SEPTEMBER 7, 1943.

The honorable the SECRETARY OF THE NAVY.

DEAR MR. SECRETARY: This is in response to your letter of February 8, 1943, signed by you and Secretary Stimson, proposing an Executive order transferring the radio intelligence functions of the Federal Communications Commission to the War and Navy Departments. Your suggestion has been given careful study by the staff of the Executive offices. After full consideration I have determined that the transfer should not be made.

The work of the Radio Intelligence Division of the Commission was founded upon the long existing radio-monitoring functions carried on by the Commission as a part of its essential peacetime work.

I interrupt the reading of the President's letter long enough to say that it is a statutory obligation which the Congress has placed on the Commission.

The need for the expansion of these functions was brought to my attention prior to our entry into the war and I approved the general set-up. Expansion has been made to meet the wartime needs of the Commission itself and of other agencies of the Government.

The Radio Intelligence Division serves important wartime needs of several of the civilian Government agencies in the radio intelligence field, including the State Department, the Federal Bureau of Investigation, the Office of Censorship, the Bureau of Economic Warfare—

Which has since become the Foreign Economic Administration—

the Weather Bureau, the Coordinator of Inter-American Affairs, and others. In addition, I understand that the Commission stands ready to perform for the Army and Navy such services as are expressly requested by them. The Commission and its Chairman have expressed to me their desire to cooperate with the Army and Navy in every possible way.

It is my desire that matters of the kind presented by the present proposal be dealt with at the outset by conferences between the interested agencies. If differences should occur, the matter should be reviewed by the Board of War Communications, which is the responsible interdepartmental body I have charged with the responsibility in the field of wartime communications.

Very sincerely yours.

FRANKLIN D. ROOSEVELT.

Mr. President, in conclusion, I wish to say that the service which is being performed, insofar as it is outside the field of actual Commission's statutory respon-

sibility in policing the ether, is performed for a large number of agencies and departments of Government solely upon their specific request. Therefore, it seems to me that the President was correct in his conclusion that the entire regulatory functions of the Federal Communications Commission should not be turned over to the armed services, because, with all due respect to the armed services, it must be obvious to anyone that if that were done they would be solely concerned with the matters directly related to the military, and that they would not render the service which the Federal Communications Commission is now rendering to other agencies and departments of Government.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. AIKEN. I noted the date of the letter from the President was September 7, 1943.

Mr. LA FOLLETTE. Yes.

Mr. AIKEN. Can the Senator refresh my memory by stating the date of the letter from the Secretary of the Navy, Mr. Knox, and the Secretary of War, Mr. Stimson, in which they stated that they did not need this service?

Mr. LA FOLLETTE. It was dated February 8, 1943, and was based on the letter of Admiral Leahy dated February 1, 1943, which I read paragraph by paragraph, and answered paragraph by paragraph.

Mr. AIKEN. I note that there was a difference in time of about 8 months between the letter from the President and that from the Secretary of War and the Secretary of the Navy.

Mr. LA FOLLETTE. Yes. The Bureau of the Budget made a thorough investigation of the matter. If the Senator has had any contact with the Bureau of the Budget, he knows that whatever else they may be charged with, they are extremely thorough.

Mr. AIKEN. Then the Senator's argument is that the Federal Communications Commission has far better facilities for doing this work than the Army and the Navy have.

Mr. LA FOLLETTE. There is not any question about it. It is quite natural that, so far as the Radio Intelligence Division was concerned, they should have been brought into the consideration through helping to find lost planes, helping to prevent espionage stations from being set up in this country, and helping to eliminate them in Central and South America, because they had this monitoring system scattered all over the United States which had already been set up. It was their duty to have it, and they had to have it in order to police the ether, insofar as the domestic broadcasters were concerned.

Mr. AIKEN. Does the Senator know whether any testimony on this subject has been given by the Secretary of the Navy, Mr. Knox, and by the Secretary of War, Mr. Stimson, since last February?

Mr. LA FOLLETTE. There is not one scintilla of evidence in either the House or the Senate hearings to justify the action, except the letter of Admiral Leahy. Concerning that letter, I submit that it

was written on an erroneous assumption that the Federal Communications Commission was dealing with military radio intelligence in the narrow sense of the word, whereas the record and the facts show that they were doing no such thing. As I have already said, I have great respect for Admiral Leahy, but I feel convinced, after making a study of this matter myself, that he did not make the investigation himself, and that the person who submitted the material in the draft of the letter for Admiral Leahy's signature was laboring under a misapprehension, largely due, probably, to the fact that the Commission made the mistake of labeling these two divisions, one the "Foreign Broadcast Intelligence Service," and the other the "Radio Intelligence Division."

Mr. AIKEN. Was there any testimony from either the Army or the Navy on this particular appropriation bill in regard to this item?

Mr. LA FOLLETTE. There is no direct testimony. The only testimony that was adduced, as I say, was the letter of Admiral Leahy which the House committee had made public and letters submitted by Mr. Fly from various generals, colonels, and other officers of the armed forces, commending specifically the activities which the Radio Intelligence Division or the Foreign Broadcast Intelligence Service had undertaken at the request of the Army or the Navy or particular branches of those services, or the Coast Guard.

Mr. AIKEN. Then, there was no direct testimony?

Mr. LA FOLLETTE. There was none whatever. Remember that the letter upon which the House committee relied, namely the letter of Admiral Leahy, was written more than a year ago, in fact, it was written a year ago last February.

Now, Mr. President, to sum up, there are two items involved here. One is the Foreign Broadcast Intelligence Service, which is the division which is monitoring the foreign propaganda of our enemies, the propaganda which is beamed over the air not only to their own people, but to the people in this country and in every other Allied or neutral nation on earth, in their own language, respectively.

Propaganda has become one of the most important weapons of war. Its objective is to mislead, to confuse, to divide, to break down the morale of the enemy or of neutrals. This is the only agency in the Government that is monitoring this foreign propaganda of our enemies and the ether is full of it, Mr. President, night and day, 24 hours a day; the Axis stations are never silent.

Now, because this is a global war, it is impossible for any one of our allies to set up listening or monitoring services which can hear all the stations of our enemies. They, too, are scattered around the world. Since this service was inaugurated—and it was inaugurated at the request of Secretary Hull—it has been integrated into the monitoring systems of our allies, and daily information picked up by the British monitoring service for example is sent here by cable, so that it may be interlarded with information obtained by our service, and

similarly the information which we gather is cabled abroad, since the British do not have access and cannot listen as well as we can to the broadcasts of Japan.

One of the items involved in this matter is an increase in the appropriation for the Foreign Broadcast Intelligence Service so that it may send agents to Hawaii, which, of course, is closer to the Orient, and set up a monitoring service there, which would be less liable to static or other interference than are the stations located along the Pacific coast.

Mr. President, the House cut \$500,000 from that item and the Senate committee has confirmed the action of the House. Do we want to stick our fingers in our ears and fail to know what the propaganda line of the Axis is? Do you think, Mr. President, it is unimportant to know what is being beamed to North America from Germany and Japan? Do you think it is unimportant to know what is being beamed to Central and South America by our enemies? Do you not think it is important to know what the Japanese are saying to the Burmese in their propaganda broadcasts? Do you not think it is important to know what the Japanese are saying to the people of China?

Mr. President, we might as well say that we will have no tanks in our Army; it would be just as retrogressive, just as unjustified for us to refuse to recognize the effectiveness of enemy propaganda as a military weapon as it would be to fail to recognize the contribution of the German staff to the use of mechanized forces in warfare. Yet if the Senate shall vote against the amendment of the Senator from New York, it will be voting to cripple the Service, if not to destroy it.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HILL. Is it not true that Hitler has won more victories and far greater victories with his propaganda than he has won with his mechanized troops or his air power or any of his lethal weapons? His greatest victories have been won by propaganda; have they not?

Mr. LA FOLLETTE. I am not able to answer that question, but I am able to say that a man must be deaf, dumb, and blind if he does not know that enemy propaganda is a part and parcel of their military strategy, and that it changes from day to day and from week to week as the exigencies of the military situation require. If anyone does not believe it is effective, let him recall what happened to the British in Singapore and in Burma, and to the Dutch in Java. If there is anyone who thinks that foreign propaganda and the cry of the Japanese of "Asia for the Asiatics" had not softened up the civilian populations of areas in Asia and the south seas, then he has not read the story of Singapore and Burma and the Javanese campaigns.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. HILL. In Norway, Denmark, Belgium, France, and other countries that Hitler overran he first softened them up,

as the Senator so well has expressed it, by his propaganda, and thus made it easier for his air forces and army.

Mr. LA FOLLETTE. They have tried to soften up the American people. I do not think they will do that; but if you knew, Mr. President, that there were 200,000 Axis agents in the United States distributing pamphlets to the American people 24 hours a day, would you not be concerned about knowing what the pamphlets were and trying to answer them? The enemy do not have to do it with pamphlets, they do not have to do it with the printed word any more; they do it with the short-wave radio beamed to this country, beamed to Central America, beamed to South America, beamed to every one of the Allied Nations and to every neutral nation of the world, trying to create dissension, trying to appeal to the emotions of people, trying to divide, trying to mislead. Yet it is proposed, Mr. President, that we stick our fingers in our ears and refuse to know or to ascertain what they are doing.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

Mr. LA FOLLETTE. I yield.

Mr. HATCH. The Senator from Alabama and the Senator from Wisconsin have been talking about things that are in the past. I am thinking about things that are to come in the immediate future; I am thinking of the time when the second front starts, when the invasion begins, when the loss of life is going to be extremely heavy and the propaganda is going to emanate, God knows to what extent and where it will reach. Why should we cripple ourselves in the face of the things that we know are coming?

Mr. LA FOLLETTE. Mr. President, I appreciate what the Senator has said. I hasten to add that I am interested in what will happen in the future. We will not be able to intercept any foreign propaganda such as went over the air last night, when this service is crippled. I was only citing what had happened in the past in the hope I could cause Senators to consider this situation on its merits.

I appreciate the contribution of the Senator from New Mexico. It leads me to go one step further. There are, I do not know how many young men and women from the United States, who will be involved in the great military operation now impending. There will be scarcely an area in the United States which will not have a flesh-and-blood interest in it. Do not Senators think it is important to know what the Berlin radio may be saying about those operations, and about the casualties, so that we may give out all the facts, and whatever may be necessary to meet any of those statements?

Mr. HATCH. Will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HATCH. I wish to add that I did not want the Senator from Wisconsin or the Senator from Alabama to think that I was finding fault with them for giving instances from the past.

Mr. LA FOLLETTE. No; I felt sure of that.

Mr. HATCH. I do not want to be misunderstood.

Mr. LA FOLLETTE. So much for the Foreign Broadcast Intelligence Service.

Mr. HILL. Mr. President, the Senator is making such an able speech that I apologize for interrupting him.

Mr. LA FOLLETTE. That is all right.

Mr. HILL. I am sure the Senator has emphasized the fact that the Japs and Nazis record every broadcast they can pick up anywhere from our country, or from any of the other Allied countries.

Mr. LA FOLLETTE. Certainly. Now one more word on the foreign-broadcast situation. Monitoring helps to pick up a certain amount of information which may be invaluable in other respects, aside from the standpoint of propaganda.

Mr. McKELLAR. Will the Senator from Wisconsin yield.

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. The Senator from Alabama just asked a question as to what Germany was doing. I wonder what the Senator from Alabama or the Senator from Wisconsin would say as to what the Signal Service of the United States is doing. We have the grandest system of communication by radio among all the nations in the world today, and we are spending more money on it. I shall give the figures in a few moments.

Mr. LA FOLLETTE. Mr. President, if the Senator has any figures or any information to show that the work the Foreign Broadcast Intelligence Service of the F. C. C. is being performed by any other agency of the Government, it is not to be found in either the House or the Senate committee hearings, and that is all I have to go on.

So far as the Radio Intelligence Division is concerned, as distinguished from the Foreign Broadcast Intelligence Service, the Radio Intelligence Division is the Division which is discharging a statutory responsibility which Congress has laid upon the Federal Communications Commission, namely, to police the ether here at home, to make certain that there is no interference caused by either inadvertent or deliberate violation of the broadcaster's license through the broadening of his kilocycle band, through the use of imperfect or defective equipment, or some faulty utilization of his antenna system.

Likewise the Commission is charged with locating, and constantly, through the Radio Intelligence Division, it has located and has corrected the interference created by commercial, industrial, or physiotherapy apparatus. That portion of their work is important to the Army and Navy, because it can interfere with their communications just as much as it can with the domestic broadcasters' service.

In connection with carrying out its work, and because the Commission already has this system of monitoring stations, the Commission, through the Radio Intelligence Division, has been effective in suppressing and in preventing enemy agents from utilizing radio as a means of communication with their principals in the Axis countries. It likewise has been very effective through the Department of State in helping to elimi-

nate and to suppress and to prevent future establishment of espionage stations in Central and South America operated by Axis agents.

Thirdly, it has rendered invaluable assistance to the armed forces in obtaining radio "fix," as they call it, upon lost planes at sea or planes which are lost in the air and, because they send out from their own equipment a message, it is possible, through these stations, to take bearings on them and practically to locate them. The testimony shows that there have been more than 400 instances of the Radio Intelligence Division rendering such assistance.

The Chief of Staff of our Air Corps in the Hawaiian Islands has stated that this service is indispensable in the Army Air Corps lost-plane activity. Therefore, if this service is crippled or if it is destroyed, it will be more difficult to find such planes and to find the pilots when they have had the misfortune to go down at sea.

Mr. President, I want no part of any such responsibility. So far as I am concerned I shall vote for the amendment offered by the Senator from New York, because I believe that these activities are of vital importance in relation to the war and in relation to the discharge of the statutory obligation by the Federal Communications Commission.

Mr. McKELLAR. Mr. President, I have listened with a great deal of interest to the remarks of the distinguished Senator from Wisconsin. He always makes a good speech on any subject he undertakes to discuss, and he made a good one on the subject now before the Senate.

The Senator says there is no evidence that the Army uses this radio service. Dr. Leigh so testified, as appears on page 121 of the record, and Dr. Leigh is a member of the Foreign Broadcast Intelligence Service.

Furthermore, I wish to call attention, in a few moments; to a quotation from a letter to the Secretary of the Navy from the Joint Chiefs of Staff. If there is anyone in the world interested in foreign radio it is the Army and the Navy of the United States. The Army and the Navy are not in favor of the continuance of this service, and they believe it is a duplicating service.

The Senator from Wisconsin had much to say about the lack of proof. There is a woeful lack of proof that this service is necessary or essential at this time. There is no proof to that effect. The evidence is of the most shadowy kind. I believe the proof shows that Chairman Fly at one time rather invited the committee to send out and obtain evidence from the Army and the Navy. There was some trouble about getting that evidence, it seemed, or he could not have gotten it, because no Army or Navy officer testified before our committee. On the other hand, it is shown indisputably by the record that the Army and Navy do not want this service. They regard it as an interference with their services. The Army and the Navy have the best radio services, monitoring and intelligence services of every kind, in the world today. I will show the appropriations we have made for those services in the past. The Army and the

Navy do not want other services. In view of the fact that the Chairman of the Federal Communications Commission himself says that he does not furnish the service except upon the application of the Army or the Navy, why should we provide that it be furnished, when it appears by the record that no request has been made by the Army or the Navy for the service? Why should we do it? If we were to do it it would simply be to accommodate a friend.

I read from a letter to the Secretary of the Navy from the Joint Chiefs of Staff, dated February 1, 1943, a little over a year ago:

Radio intelligence activities of the Federal Communications Commission tend to be less and less useful as the art progresses.

Does that indicate that they want the radio service of the Federal Communications Commission?

This is due to integration into proper radio-intelligence systems of large quantities of secret military information accumulated through special processes by the armed forces, including exchanges of military information with our allies, knowledge of present and proposed disposition of forces, and other special information which for obvious reasons cannot be disseminated to an agency such as the Federal Communications Commission.

Is that good sense or is it not? That letter comes from the Joint Chiefs of Staff, from the leaders of the Army and the Navy. They have the best kind of service, up-to-date service, they are using the latest in radio, and they say they do not need the more or less out-of-date service of the Federal Communications Commission. Then they proceed:

Moreover, information obtained by the Federal Communications Commission through its own radio-intelligence activities is not, in the military sense, secure, due to inherent tendencies toward publicity of Federal Communications Commission activities, use of nonsecure methods of reporting and correlation, and the necessarily close relationship of Federal Communications Commission military-intelligence activity with other phases of the agency's work.

Is that an idle statement? Remember this—and the distinguished Senator from Wisconsin reiterated it a half dozen times—that the Federal Communications Commission was not to furnish any information except upon application of the Army and Navy. Here we have a letter from the Army and the Navy, speaking through their highest officers, saying that it is not necessary for the Federal Communications Commission to perform this service at all. As a matter of fact, as I have previously said, the Army and the Navy have the best radio service in the world today.

The letter continues:

Because of the essential differences between military and Federal Communications Commission standards and methods it has not been possible to integrate their information, with the result that the attempted duplication by the Federal Communications Commission of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence.

Not only is the Commission not a help to them, but it is an actual hindrance to

them. Are we to proceed and disregard what the heads of our Army and Navy say about this matter? Shall we say, "We are going to give you this information whether you want it or not"? We cannot make them take it. I continue to read:

The foregoing conclusions are supported by the views of the Army and Navy commanders in the field who are charged with responsibility for military action based on radio intelligence.

Are we to go against the military commanders in the field and give them this service which they say only interferes with the service they already receive? Why should we do that? I should like any Senator who feels that we should do that to rise and give us a reason why it should be done. Why should we insist upon giving them this service when they say they do not want it?

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. There is only one question which perplexes me. I should say that the Senator was on incontestable ground if the letter were dated February 1944. The thing that puzzles me is why in this one city of ours we are so far apart that we have to have information 13 months old?

Mr. McKELLAR. If the Senator will read the different letters of the Secretary of War, the Secretary of the Navy, and the President he will find the answer.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. It is true, I take it, that there is not in the record, from its beginning to its end, any evidence that Admiral Leahy and the Joint Chiefs of Staff of the officers in the field have ever changed their minds about this matter.

Mr. McKELLAR. Not a scintilla of evidence. On the other hand, every indirect bit of evidence there is shows that they still entertain the same view. They say they have already built up the best system of radio that can be devised.

Mr. VANDENBERG. Then, it is the Senator's opinion, is it not, that the statement made 13 months ago still stands as current so far as the opinion of the War and Navy Departments is concerned?

Mr. McKELLAR. Entirely so. The House has so determined, and our committee, after hearing very extended testimony, so determined. I simply wish to show the Senator the character of the evidence.

Mr. WHITE. Mr. President, will the Senator again yield?

Mr. McKELLAR. I yield.

Mr. WHITE. I call to the attention of the Senator from Tennessee as well as the Senator from Michigan that these views of the Chiefs of Staff, of Admiral Leahy, and of the Secretaries of War and Navy, were transmitted to the President only in September of 1943.

Mr. McKELLAR. That is entirely correct.

Mr. President, I asked Mr. Fly to give me the instances in which he could help the Army and the Navy. I asked him why the private radio companies could

not give all the information necessary. Everyday we read in the newspapers information furnished by them. The newspapers publish what the private radio companies transmit from all over the world. The Army permits the publication of only what it wants published; and what it wants published is released. I asked Chairman Fly why we should have another service. He said his service was fuller and more complete. I asked him if he would give me an illustration of the fuller and more complete service. I shall read what I asked him and what his replies were:

Senator McKELLAR. We are at war, and we want to show some substantial contribution to winning the war. You talk about Hitler's speeches, and some of these other speeches. That information is not worth a tinker's hurrah. That is all given out for the purposes of getting as wide circulation as possible. It is all printed and the radio carries it. So why duplicate things in that way?

Mr. Fly. Let me say there is really no duplication of even that simple work, in the sense that anyone gets those speeches completely. For example, you take Hitler's speech.

This is the argument in favor of carrying on this service:

The newspapers generally come out promptly with what purports to be quotations and comments on Hitler's speeches; but almost invariably they are not only partial excerpts, but they are inaccurate in the various quotations they give—and the most responsible newspapers have those inaccuracies. The American Government wants Hitler's speech, and wants it accurately.

Senator McKELLAR. I don't see how it makes a particle of difference to the American Government what Mr. Hitler says. We are fighting Mr. Hitler and we are going to lick him. What he says or doesn't say is a matter of very small interest in the United States.

Dr. LEIGH. The main interest, I would say, aside from the text of the speech, has to do with changes in Hitler's line, and that is what the Office of War Information wants, being engaged in propaganda all the time. What they want to know is what the other side is saying.

Senator McKELLAR. We would know that if there were no radio service.

Dr. LEIGH. Yes; in part, but we are set up to do the complete job.

Senator McKELLAR. So what good does it do? We have radio concerns in this country who can furnish that by radio. We have the telegraph and other agencies that give it in the newspapers. We have gotten used to that. This is a semiprivate thing, sent to certain governmental agencies that may or may not be reading it.

Mr. Fly. I think, Senator, the regular press and radio do not give one-fourth of 1 percent of this material.

Senator McKELLAR. If they don't give one-fourth of 1 percent of it, it must be as big as all the world.

Mr. Fly. It is. It runs to a couple of million words a day. They don't scratch the surface on it.

Senator McKELLAR. I was just wondering if you could give us one subject that was of benefit to our Government by reason of your fuller reports of that which the other radio companies get and distribute.

Dr. LEIGH. We are doing what? We are doing what the Military Intelligence, what the State Department, want us to do. For just one thing, there is the request for biographical data on the Japanese Army and Navy personnel, as something they have asked us for. No newspaper would think of getting that.

Senator McKELLAR. What good would that do? Suppose you have the fullest data as to Hirohito himself, or Tojo, or any other man; what good would it do?

Finally they got around to saying that they had given a fuller detail as to what Hitler had said in a speech, evidently for the purpose of having it repeated in America, and what Ramirez, of Argentina, I believe, had said for the same purpose. How it can benefit the American people to have more propaganda provided for them is simply a mystery to me; I cannot understand it. I do not think the committee understood it. It was for that reason, among other reasons, that the committee reported as it did.

My good friend the senior Senator from Wisconsin [Mr. LA FOLLETTE] said that no other activity of government had this responsibility, and that we would have to place it in the hands of some other agency or activity of government. Mr. President, the Senator from Wisconsin is mistaken about that. That responsibility is already in the hands of the Army and the Navy, the War Department and the Navy Department. As I have said, they already have a complete system which is up to date, modern, and the last word in radio, in radio monitoring, and in radio intelligence and this work on the part of the Federal Communications Commission is declared by the Army and the Navy to be antiquated to some extent, and to be not useful to them in any event.

Under those circumstances, Mr. President, why should we appropriate this money to enable the Commission to maintain at work a large force to provide a service which the Army and the Navy do not want? The Army and the Navy say it is their work and their responsibility, and we know that to be so. Under such circumstances, why should we undertake to put it in the hands of a civilian commission?

Mr. President, it is simply plain, good, hard, common sense to ask why we should spend all this money for a service which the Army and the Navy not only admitted but declared to be useful only if the Army and the Navy want it, and when there has been no evidence that the Army and the Navy want it. Why should we insist on providing it regardless of whether the Army and the Navy want it, when they declare it is an interference with the work they already are doing? It seems to me that it would be sheer nonsense to recommend an appropriation for that purpose.

Mr. VANDENBERG rose.

Mr. McKELLAR. I yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I come back to my question, for I think the whole matter, instead of taking 3 hours, could be settled in 3 minutes on the basis of the single question whether the Army and the Navy, the War Department and the Navy Department, would say today what they said 13 months ago. I shall vote with the Senator on the theory that he is correct in believing that they have not changed their minds. If they have changed their minds they can come in within the next

90 days and have a deficiency appropriation with my approval. The sole question is, Do they still hold today the opinion they asserted 13 months ago?

Mr. McKELLAR. Mr. President, they have not asserted any other opinion, and their opinion was very positively asserted at that time. Since that time they have built up one of the best services in the world. I think there can be no doubt that they still hold that opinion.

I wish to say to my distinguished friend the Senator from Michigan, whom I admire very extravagantly, that I have not taken anything like 3 hours. I have taken only approximately 15 minutes; and I am afraid I have now taken more time than the matter deserves, because it is contended by some that none of this appropriation should be made. In the committee we cut it down. We did so because when we cut off the funds for a million and a half dollars' worth of work, we realized that there should be some lessening of the personnel of the authority or agency. For that reason we cut out \$300,000 from the \$4,491,000. I think that is a very small amount by which to reduce the appropriation because of the lessening of the responsibilities and work the Commission will have.

Mr. President, I very much hope that all Senators will vote against the amendment, and will let the matter be thus settled. I know it is in the interest of the people of America. I know it is in the interest of the Army and the Navy and of all other agencies involved in our military effort.

Mr. WHITE. Mr. President, I wish to say a brief word about this situation. I wish to let it be known, first of all, that I shall vote against the amendment of the Senator from New York [Mr. MEAD] and shall vote to sustain the committee, which has brought the result of its study and deliberations before the Senate.

The amendment is a single amendment, but it deals with four subject matters. First, it undertakes to increase by \$209,000 the amount to which the Senate committee reduced the appropriation of the House for certain purposes. I think the action of the committee in reducing that appropriation by that amount is wholly justified. We had previously eliminated from the bill the provision for approximately seven passenger-carrying automobiles, the expense of which would come out of the \$209,000.

Mr. McKELLAR. We eliminated 20 passenger cars.

Mr. WHITE. I think that was in a later provision.

Mr. McKELLAR. No. It is on page 12—"not to exceed 20 passenger-carrying automobiles." What they could be used for I do not know.

Mr. WHITE. I was referring to the item on page 11, line 18.

Mr. McKELLAR. This item is on page 12.

Mr. WHITE. The item on page 11 says "purchase (not to exceed seven)" passenger-carrying vehicles. The Senate committee cut that out of the House provision, as I understand; but it is relatively unimportant.

Mr. McKELLAR. There is another provision on the next page, for 20 more.

Mr. WHITE. I will come to that in a moment.

So we reduced the appropriation by whatever seven passenger automobiles would cost. It is to be borne in mind that notwithstanding this reduction of \$209,000, the Commission is being given the amount to which it is currently entitled under a previous act of Congress.

So with the purchase and maintenance of seven automobiles eliminated, and with the certainty that the Senate provision gives the Commission the same amount which it currently has, I feel compelled to support the action of the Appropriations Committee in reducing the appropriation.

The second particular reduction is the \$300,000 item. Here again we confront very much the same situation. Twenty passenger-carrying automobiles, the purchase of which had been authorized by the House language, have been eliminated from the bill. That certainly accounts for a substantial part of the \$300,000 by which the committee reduced the appropriation.

Beyond that is the firm belief on the part of the committee that economies in personnel and in other particulars can be put into effect. Quite beyond the question of these two particular items, I think the great motivating force upon the committee was its conviction that it faces a stern obligation to exercise every possible economy if the fiscal affairs of this Nation are to be kept upon a sound basis. I know how easy it is for departments to ask for money, and I know how difficult it is to raise the money by the processes of taxation, and how unfortunate it is to raise it by means of borrowing. So what the committee has done with respect to these first two items is a challenge to the Senate to stand by its Appropriations Committee in its effort to force governmental bureaus to effect economies. It sometimes seems that governmental agencies entirely lose sight of the cumulative effects of resistance to appropriation cuts, when spread over the entire organization of the Government. So I ask Senators to support the committee in this small effort in behalf of economy.

There are two other items which have been discussed at some length. I wish to refer to them briefly. There is a provision in the House language, in which the Senate committee has concurred, for a reduction by \$500,000 of the amount provided for the Foreign Broadcast Intelligence Service. There is a reduction of \$1,000,000 made by the House, in which the Senate committee has concurred, with respect to the other activity about which we have heard so much today.

Personally I have a very substantial respect for the character of work carried on in the monitoring field. It is an activity which is necessary if radio is to be maintained at a high state of efficiency. But when the whole reduction is put into effect, the Federal Communications Commission will still have \$4,491,000 out of which the cut can be ab-

sorbed. In my opinion that is adequate for its essential services.

We must never lose sight of the fact that the Commission is rendering a service, to be sure. It is rendering a service today to ships of the sea and surface craft over the world; it is rendering a service to our airplanes of the Army and Navy; it is rendering a service to many forms of governmental transportation and communication, but it is not doing it in its own behalf. It is doing it with facilities and agencies very largely under the control of the Army and Navy.

Today the Army and Navy have broadcasting on a short-wave system of communications which reaches to every part of the world. I have a firm belief that the Army and Navy are adequately prepared to carry on their monitoring service as to all matters and things which have to do with national defense. I think for the time being we can put aside every consideration other than national defense. I firmly believe that the Army and Navy are qualified to carry on, to locate their planes which may be threatened with disaster, to locate ships, and to perform every other service in the field of monitoring which may be performed by the Federal Communications Commission.

The other subject has to do with radio broadcasting. The service which the Federal Communications Commission renders is really a listening service. It listens to probably several thousand broadcasts a day, coming from 50 or 60 political units scattered over the world. It has a force of translators, who translate all this material. It is then printed. Let me tell the Senate what use is made of it. Before I do so, I wish Senators to have in mind that what the monitors listen to may be as much that which the alien enemy wants us to hear as what we ourselves may be interested in knowing.

What is done with all this information? Is it sent to the Army and Navy? Is it surrounded by a wall of secrecy? Not at all. Every day the Commission publishes in mimeographed form from 160,000 to 170,000 words, and that material is sent out to whom? It is sent to three or four hundred departments of the Government, and hundreds of persons within those departments. It is sent to representatives of foreign governments in the United States. It is sent to the Chief Justice of the Supreme Court. It is sent to columnists, commentators, and newspapermen throughout the country. Some of this material is civilian in character and some military. It is publicized to all America and to all the world. That is the thing which so greatly disturbs the Army and Navy. They say that they are better qualified to judge of the significance of broadcasts coming in from enemy countries or from Allied countries. They feel that when a broadcast has to do with the disposition of our troops in the field or the movement of our troops, such material should be gathered together and should be within the control of the Army and Navy, and not made a matter of public record

for the possible embarrassment of our military forces.

There is no question as to where the Army and Navy stand on this question. Admiral Leahy, speaking for the Joint Chiefs of Staff, wrote a letter to the Secretary of the Navy, which has been read, in which he urged, on military grounds, that this service should be rendered by the Army and Navy, and not by the Federal Communications Commission. The Secretary of War and the Secretary of the Navy concurred in that recommendation. They said that not only did our military authorities here believe in it but that the commanders in the field concurred in it. They sent a letter to the President of the United States asking that those functions be transferred. What happened? Whom did the President consult? He did not consult the military authorities of the Government or those who are making the plans for the prosecution of this war. But he turned to that meddling organization, the Bureau of the Budget. The Bureau of the Budget advised the President of the United States as to who should have this responsibility and should carry on this service. The Bureau of the Budget prevailed over all our military authorities charged with the responsibility of conducting and winning the war. One cannot help asking the question, Has the Bureau of the Budget mapped out the war in Italy? Has the Bureau of the Budget, notwithstanding the views of our Army and Navy officials, determined when, where, and how the invasion of Europe shall be undertaken? If the Bureau of the Budget is to be substituted for the military officers of this country, then I say, God help this Government in the prosecution of the war. It is beyond me.

Mr. President, that is all that is involved in this whole situation. I want the Army and the Navy, because of their responsibilities in the prosecution of the war, to have control over all information which comes from the battlefields and areas of military activity. I want them to determine what the significance of such information may be. I want them to determine and make known what part of it may be given to the people of this country, and what part of it must remain a military secret.

Mr. President, to me that sums up the whole situation. I think the Army and the Navy, with their services scattered over the whole world, are competent to do this work. I think that in a military matter Congress should give heed to the Army and Navy officials, and should let the Bureau of the Budget concern itself with the things with which it is primarily charged.

So, Mr. President, I shall vote against the Mead amendment, and I shall vote to sustain the committee in the action which it has taken.

THE PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. MEAD] on page 13, line 1.

Mr. HILL. Mr. President, I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Radcliffe
Andrews	George	Revercomb
Austin	Gillette	Robertson
Bailey	Guffey	Russell
Ball	Hatch	Shipstead
Bankhead	Hawkes	Stewart
Barkley	Hayden	Taft
Brewster	Hill	Thomas, Idaho
Bridges	Holman	Thomas, Utah
Brooks	Johnson, Colo.	Truman
Buck	Kilgore	Tunnell
Burton	La Follette	Tydings
Bushfield	Langer	Vandenberg
Byrd	McCarran	Walsh, N. J.
Capper	McClellan	Weeks
Chandler	McFarland	Wheeler
Clark, Idaho	McKellar	Wherry
Clark, Mo.	Maybank	White
Connally	Mead	Wiley
Davis	Millikin	Willis
Downey	Murray	Willson
Eastland	O'Mahoney	
Ellender	Overton	

THE PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from New York [Mr. MEAD], on page 13, line 1.

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MEAD. Mr. President, during the course of the debate the action of the Federal Communications Commission in counter-espionage work and in locating spies and illegal radio stations outside the United States was brought to the attention of the Senate. I have before me, in an annual report submitted to the governments of the American republics, some interesting information on that very same subject. On page 86 of the report, under the heading "German espionage agents in Chile—Memorandum dated June 30, 1942, submitted by the United States of America," there appears the following:

The existence of a clandestine radio station in Chile has been known for some time to the Federal Communications Commission of the United States Government and, through use of directional finding equipment, this station has been located in Valparaiso. Through these same tests—

That is, tests made by the Federal Communications Commission—the corresponding station has been definitely located in Hamburg in Germany.

Mr. President, on page 95 of the same report, I read the following:

At the request of the Chilean Government, the Federal Communications Commission of the United States dispatched an agent with the necessary equipment for definitely determining the location of PYL. This technician has made several tests which have indicated rather conclusively that at the present time one of the transmitters over which the information is being sent to Germany is located in the house of Guillermo Zeller, Avenida Alemana 5508, Cerro Alegre, Valparaiso. It is known that Zeller is an expert radio technician and a licensed amateur operator. He has in his possession a modern transmitting set absolutely capable of communicating with Germany, and it has been observed that the antennas used by him are specially adapted and directed for such transmission. Observations have further revealed that Zeller has often been seen in the company of Hans Blume, heretofore mentioned in this memorandum.

Mr. President, in the same report submitted to the governments of the American republics I read the following:

After the sudden arrest of most of the German agents operating in Brazil during the month of March the intercepts indicated that Germany was very concerned over the safety of its agents, as well as assuring itself of a possible means of having radio communication with its agents in Chile. To afford the latter, the intercepts indicate that the P. Y. L. organization has employed the service of another transmitting station which was to be operated by an individual referred to as "Pedro." P. Y. L. told Germany that "Pedro" would be ready for transmission on March 11, 1941. A report was received by the Embassy from the United States Government that a new clandestine station had been heard operating in Chile on March 11 and that directional findings by the Federal Communications Commission indicated that this station was located in or around Antofagasta. It is believed that this station heard in the United States is the new station employed by the P. Y. L. organization and is being operated by this individual referred to as "Pedro."

Mr. President, as the able Senator from Wisconsin pointed out, there are two important services of the Federal Communications Commission involved in this discussion. One of them relates to its Foreign Broadcast Intelligence Service, whose work is primarily that of monitoring. The other is its Radio Intelligence Division, and the nature of its work is primarily that of policing the airwaves. There exists no duplication. The military has its own military functions to perform. The military does not monitor the speeches and propaganda emanating from Nazi countries. The military is not held responsible by statute for either the protection of broadcasting in this country or for compelling broadcasters in this country to operate within the law.

If we are going to set up these services in the military, which we would have to do if there exists no duplication, then we ought to set them up, and we ought to provide an appropriation for them. If all we do is to reduce and refuse, and reduce appropriations, we eliminate and eliminate and eliminate services. I hate to contemplate the awful, the terrifying consequences as a prelude to the invasion by our forces of the continent of Europe of any action that may be taken which has for its effect the diminution or the reduction or elimination of any services which, in my judgment, are essential.

Mr. BRIDGES. Mr. President—

THE PRESIDING OFFICER. Does the Senator from New York yield to the Senator from New Hampshire?

Mr. MEAD. I shall yield in a moment.

So, Mr. President, I reiterate what the able Senator from Wisconsin has already well said that there is no duplication; there are two essential services involved; one has to do with the monitoring of foreign broadcasts emanating from civilian agencies, not military agencies, abroad; and the other has to do, as the able Senator from Wisconsin well said, with the enforcement of the statute and policing the airways of this country and those in the Territories of this country.

Now I yield to the Senator from New Hampshire.

Mr. BRIDGES. Would the Senator put his judgment and the judgment of Mr. Fly ahead of that of the Army and Navy? That is the issue.

Mr. MEAD. Is that the question in its entirety?

Mr. BRIDGES. That is the first question.

Mr. MEAD. That question was asked before.

Mr. BRIDGES. But it has not been answered.

Mr. MEAD. That question was answered before, Mr. President, I think to the satisfaction of many Members of the Senate. But to answer it again, let me say, Mr. President, as was said by the able Senator from Wisconsin, there is not a scintilla of evidence in the report or in the hearings of the House committee or the Senate committee to indicate that there is any objection to the services which are being rendered or that the services which are being rendered are not eminently satisfactory to all the agencies of the Government receiving and depending upon such services.

With reference to the attitude of the Army and Navy, there is a rich amount of evidence from military leaders, from the Office of Strategic Services, from Signal Corps officers, from the commanding general of the Hawaiian division, commending the services of the Federal Communications Commission. There is over and above that, to offset what the opposition may say in its reliance upon the letter of the Secretary of War and the Secretary of the Navy, the letter of the Commander in Chief, the President of the United States. While those who oppose the amendment may offer as support the argument, the letter from the Secretary of War and the Secretary of the Navy, those of us who are on the other side of this argument believe in fortifying the Federal Communications Commission with all the appropriations they may reasonably need. I say the letter of the President is, in my judgment, an unanswerable argument that a system has been set up and a board has been created whereby to the very maximum all the services can be dispensed to each of the agencies which require such services.

Mr. BRIDGES. Mr. President, will the Senator again yield?

Mr. MEAD. I am glad to yield.

Mr. BRIDGES. Can the Senator produce a letter or any communication from the Secretary of War, the Secretary of the Navy, the Combined Chiefs of Staff, from Admiral King or General Marshall, asking for these services or asking to have the Federal Communications Commission do this work? The Senator has dodged around this issue and so has every other proponent of the amendment.

Mr. MEAD. The Senator has asked for a great many letters.

Mr. BRIDGES. And I have not received them.

Mr. MEAD. As I said before, the Senator has asked for a great many letters and for a great deal of evidence but the Senator to this moment has not taken on himself the responsibility of present-

ing any evidence. I have submitted one letter after another, but the Senator continues to ask for more and more letters without feeling in the least the obligation that he ought to present something of a constructive nature before this debate is concluded.

Mr. BREWSTER. Mr. President, I shall not undertake to resolve the conflict of opinion, but I do think the record should be made clear, since there is a certain implication in the remarks of my colleague from New York that we are not desirous of intelligence in the conduct of our services. I am sure that, so far as this side of the aisle is concerned, that is what we have been very earnestly desiring very much more of for a long time. Anything that would insure our getting more intelligence into the conduct of the operations of the entire Government would be entirely in accord with our views.

As to the specific issue before the Senate, I cannot furnish the evidence for which the Senator from New York asks, but I think it appropriate to call attention, before we conclude, to one additional fact.

Mr. MEAD. Will my distinguished colleague yield?

Mr. BREWSTER. I yield.

Mr. MEAD. I am not asking for the submission of any letters or added information. That request came after I had submitted, in the debate last week, all the evidence and all the letters which I thought ample to support my argument. So I am not asking for any additional information.

Mr. BREWSTER. I thought there was a suggestion that the Senator was making such a request. I merely call attention to the fact that there is a conflict of opinion, and that this body has the benefit of the opinion in this matter of the one who was selected by the President of the United States as presumably the most competent man in the field of communications, namely, my own colleague, the senior Senator from the State of Maine [Mr. WHITE], who was chosen by the President to be chairman of the last international radio delegation from America to the world conference held at Cairo a few years ago. Recognizing the long service in this field of my colleague, the senior Senator from Maine, on the committees of the House and the Senate dealing with this matter from its inception, he was chosen for this distinction by the President of the United States. With all deference to the President, and the very great responsibilities he is obliged to carry, I am somewhat more inclined to accept the conclusion of the senior Senator from Maine as to whether or not this service may be adequately performed with the appropriations provided, with due regard to all the responsibilities of the war, than for the opinion of the President, on the basis of an opinion from the Bureau of the Budget, in conflict, apparently, with his own military and naval advisers. At any rate, I shall resolve my action on the basis of the opinion of my colleague, believing that it is as competent and as disinterested as any we should be able to secure.

Mr. BARKLEY. Mr. President, I do not intend to delay the Senate on this question, but I wish to utter just a brief word as to my position in regard to the amendment offered by the Senator from New York. The Senator from New York and the Senator from Wisconsin have gone into the whole question in detail; they have covered it exhaustively, from the standpoint of those who favor the amendment, and it would be merely a repetition if I were to attempt to cover that field, and I shall not do so.

I merely wish to say that it seems to me unfortunate that the affairs of the Federal Communications Commission have gotten into the posture of controversy and criticism back and forth on account of matters which have nothing to do with the pending amendment or the pending appropriation, and nothing to do with the war, as a matter of fact. I do not know to what extent the long-existing controversy between the Federal Communications Commission and a portion of the Congress had anything to do with the action of the House in reducing the appropriation by a million and a half dollars. It may be that it had nothing to do with it, and was not thought of in that connection. Nevertheless, it is difficult to dissociate the two things altogether, in view of what seems to me to be the drastic cut made by the House, and the even more drastic cut made by the Senate committee.

I shall not go into the question of the controversy among the services as to the desirability of having the War Department and the Navy Department take over the functions of the Federal Communications Commission, so far as concerns its intelligence divisions, either in Europe or in the United States. The Secretary of War and the Secretary of the Navy recommended, in a letter which they wrote to the President, that there be a certain transfer of authority in matters of investigation pertaining to the war, from the Federal Communications Commission to the War and Navy Departments. After due consideration and long preparation, and after what I understand was a thorough investigation from all sides, the President felt that it was wise not to make the transfer, and said so in a letter which he transmitted to the heads of the two Departments.

It may be that there are Senators and Members of the other body of the Congress who prefer to take the judgment of the Secretary of War and the Secretary of the Navy to that of the President, but they certainly cannot indulge in that preference on the ground that either one of these officers is a high military or naval officer, any more than the President is. Neither of them is a military or naval officer.

Mr. BRIDGES. Will the Senator yield?

Mr. BARKLEY. I do not wish to take much time, but I yield.

Mr. BRIDGES. Would the Senator consider Admiral Leahy a military or naval authority?

Mr. BARKLEY. Yes; I am coming to that, if the Senator will permit me. Of course Admiral Leahy is a very high-ranking naval officer, enjoys the confi-

dence of the country, and has had an outstanding record as a naval authority. But from the standpoint of the command of the Navy, the President of the United States outranks Admiral Leahy, of course.

Mr. BRIDGES. Will the Senator yield further?

Mr. BARKLEY. I think the President's judgment in that matter is entitled to the same consideration to which it would be entitled in any other matter where the decision must be made by the Commander in Chief of the Army and Navy.

Mr. BRIDGES. Does the Senator believe that in the Combined Chiefs of Staff of the various Allied countries which are waging this war we have able men, possibly the outstanding men among the United Nations?

Mr. BARKLEY. I presume they are the best naval and military men available in the various nations.

Mr. BRIDGES. Then the Senator puts the word of Franklin D. Roosevelt, as a military leader and naval leader, ahead of the combined judgment of the Combined Chiefs of Staff?

Mr. BARKLEY. The transfer of these facilities from the Federal Communications Commission to the War and Navy Departments of the United States has nothing to do with interallied command. It is purely a matter for the United States, and certainly the President of the United States, as Commander in Chief of the Army and Navy, stands higher in authority and in responsibility, under the Constitution, than even Admiral Leahy, or the Secretary of War, or the Secretary of the Navy.

Mr. President, in view of all that has been said about this matter it seems to me to be unwise to reduce the appropriation. I myself do not propose to take the responsibility of voting to reduce it in view of all the situations which exist around the world which require the most meticulous information to be obtained, even if it is expensive, as the Senator from Wisconsin said a while ago. I am unwilling to weigh dollars against the lives of our men and women in the service, no matter whether it is a million and a half or two million dollars, the total reduction now carried in the bill.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield, but I must catch a train in a few minutes.

Mr. BREWSTER. This will take only a minute. Do I understand that we are being urged now to support the proposal upon the basis of the fact that it is the opinion of the President of the United States which is involved?

Mr. BARKLEY. No; I am not urging the Senator—

Mr. BREWSTER. The Senator does not urge support for the proposal on that ground?

Mr. BARKLEY. I am not urging the Senator from Maine or any other Senator to vote for the amendment offered by the Senator from New York on the ground that it is the judgment of the President that the activity ought not to be transferred. That is his judgment. I respect that judgment.

Mr. BREWSTER. The Senator does not always follow that judgment. [Laughter.]

Mr. BARKLEY. Well, I follow it much more frequently than does the Senator from Maine. I hope the Senator from Maine accords to me the right to differ even from the President of the United States whenever I feel that it is my duty to do so.

Mr. BREWSTER. And I am sure the Senator from Kentucky will accord us the right to do so.

Mr. BARKLEY. In this particular instance my judgment coincides with that of the President, and I am just as happy or more happy to say so, than I am to say so when I disagree with him.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. BARKLEY. For only one question.

Mr. BRIDGES. Very well. Am I to understand the Senator from Kentucky to infer that those who oppose the amendment are placing dollars ahead of lives?

Mr. BARKLEY. No; I am not saying that at all. But I say that I am not willing to economize even to the extent of \$2,000,000 if by doing so I think I am jeopardizing the lives of any of our men anywhere in the world. The Senator may have his own judgment about that. I know how the Senator from New Hampshire is going to vote. I know he is going to vote to reduce the appropriation. He is going to vote against the amendment offered by the Senator from New York. Nothing I can say would change the Senator's opinion on that matter, and if I undertook to persuade him about any other matter I have great doubt whether I could do so.

Mr. President, that is all I wish to say, but I am going to vote in favor of the amendment offered by the Senator from New York.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. MEAD], on page 13, line 1, in lieu of the committee amendment to insert "\$6,146,000." The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER], who, I understand, if present, would vote "yea." I transfer my pair to the senior Senator from Nebraska [Mr. BUTLER], who, I understand, would vote "nay" if present. I am therefore free to vote, and I vote "nay."

Mr. MEAD (when Mr. WAGNER's name was called). My colleague the senior Senator from New York, is necessarily absent. If he were present, he would vote "yea." The senior Senator from New York has a general pair with the Senator from Kansas [Mr. REED].

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Indiana [Mr. JACKSON], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business. I am advised that if present and voting, the Senator from Indiana and the Senator from Washington would vote "yea."

The Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Massachusetts [Mr. WALSH] are detained on public business. I am advised that if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], and the Senator from Florida [Mr. PEPPER] would vote "yea."

The Senator from Washington [Mr. BONE], the Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent. I am advised that if present and voting, the Senator from Washington [Mr. BONE] and the Senator from Kentucky [Mr. CHANDLER] would vote "yea."

The Senator from Arizona [Mr. HAYDEN], who is detained in a Government department, has a general pair with the Senator from North Dakota [Mr. NYE]. I am not advised how either Senator would vote if present.

The Senator from West Virginia [Mr. KILGORE] is detained in one of the Government departments on matters pertaining to the State of West Virginia. I am advised that if present and voting, he would vote "yea."

The Senator from Arkansas [Mr. McCLELLAN] has been called from the Senate to attend a conference on matters pertaining to the State of Arkansas. I am advised that if present and voting, he would vote "nay."

Mr. WHERRY. The Senator from Nebraska [Mr. BUTLER] is necessarily absent. I am advised that if present he would vote "nay."

The Senator from Oregon [Mr. CORDON] is paired on this question with the Senator from Florida [Mr. PEPPER]. I am advised that if present the Senator from Oregon would vote "nay," and the Senator from Florida would vote "yea."

The Senator from South Dakota [Mr. GURNEY] is paired on this question with the Senator from Rhode Island [Mr. GREEN]. I am advised that if present the Senator from South Dakota would vote "nay," and the Senator from Rhode Island would vote "yea."

The Senator from North Dakota [Mr. NYE] has a general pair with the Senator from Arizona [Mr. HAYDEN].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Oklahoma [Mr. MOORE] is necessarily absent.

The result was announced—yeas 22, nays 38, as follows:

YEAS—22

Andrews	Hill	O'Mahoney
Barkley	Johnson, Colo.	Radcliffe
Capper	La Follette	Shipstead
Clark, Idaho	Langer	Thomas, Utah
Downey	McFarland	Tunnell
Ellender	Maybank	Wheeler
Guffey	Mead	
Hatch	Murray	

NAYS—38

Aiken	Eastland	Stewart
Austin	Ferguson	Taft
Ball	George	Thomas, Idaho
Bankhead	Gillette	Tydings
Brewster	Hawkes	Vandenberg
Bridges	Holman	Walsh, N. J.
Brooks	McCarran	Weeks
Buck	McKellar	Wherry
Burton	Millikin	White
Bushfield	Overton	Wiley
Byrd	Revercomb	Willis
Clark, Mo.	Robertson	Wilson
Davis	Russell	

NOT VOTING—36

Bailey	Green	O'Daniel
Bilbo	Gurney	Pepper
Bone	Hayden	Reed
Butler	Jackson	Reynolds
Caraway	Johnson, Calif.	Scruggam
Chandler	Kilgore	Smith
Chavez	Lucas	Thomas, Okla.
Connally	McClellan	Tobey
Cordon	Maloney	Truman
Danaher	Moore	Wagner
Gerry	Murdock	Wallgren
Glass	Nye	Walsh, Mass.

So Mr. MEAD's amendment to the committee amendment on page 13, line 1, was rejected.

Mr. McKELLAR. Mr. President, I move that the vote which has just been taken be reconsidered.

Mr. McCARRAN. I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. BARKLEY. Mr. President, I think it is generally agreeable that the Senate suspend its session at this point until tomorrow.

Mr. McCARRAN. Mr. President, will the Chair announce the action on the motion to lay on the table.

The PRESIDING OFFICER. Without objection, the motion was agreed to.

Mr. MEAD. Mr. President, I have another amendment to offer. I believe I am correct in saying that as a result of the debate, at least in my opinion, this amendment will be more generally acceptable. Therefore, I shall ask the acting chairman of the Appropriations Committee if he will consider taking the amendment to conference. The amendment would restore item No. 2, providing \$500,000 for the Foreign Broadcast Intelligence Service, which merely performs the work of monitoring foreign broadcasts. I think the Service is a very important one. I should like to know whether the acting chairman of the Appropriations Committee will consider taking the amendment to conference.

The PRESIDING OFFICER. The amendment offered by the Senator from New York is not in order until the committee amendment at the top of page 13 is disposed of.

Mr. MEAD. Then I shall ask that my amendment be withheld until the other committee amendment is disposed of.

The PRESIDING OFFICER. The amendment of the Senator from New York may lie on the table.

The Chair finds that in reading the amendment offered by the Senator from New York the Chair was in error, and that the amendment proposed by the Senator from New York is an amendment to the committee amendment at the top of page 13, and is in order.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. What is the status of the amendment on page 12, line 2?

The PRESIDING OFFICER. It is still open.

Mr. MEAD. Mr. President, action on it, if I may answer the question of the majority leader, was postponed until the disposition of the amendment on page 13, line 1.

Since my amendment is in order, I send it to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

Mr. McKELLAR. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. Has the amendment on page 13 been agreed to?

Mr. BARKLEY. I understand that it has not.

The PRESIDING OFFICER. The Chair will state that the amendment to the committee amendment, on page 13, was rejected, and the committee amendment has never been agreed to.

Mr. McKELLAR. I understood the Chair to rule awhile ago—

The PRESIDING OFFICER. The Chair's announcement was with respect to the amendment of the Senator from New York to the committee amendment. The amendment to the committee amendment has been rejected, but the committee amendment has not been agreed to.

Mr. McKELLAR. Very well.

The PRESIDING OFFICER. The amendment of the Senator from New York to the committee amendment at the top of page 13 will be stated.

The CHIEF CLERK. On page 13, line 1, it is proposed to strike out "\$4,191,143" and insert "\$4,691,143."

Mr. MEAD. Mr. President, my amendment to the committee amendment is for the purpose of restoring the \$500,000 cut made by the House in the appropriation for the Foreign Broadcast Intelligence Service, only. I ask for a vote on my amendment to the committee amendment.

Mr. McKELLAR. Mr. President, I wish to say to the Senate that I hope the amendment to the committee amendment will be rejected. We have spent all afternoon on another amendment which provided for a larger amount. The pending amendment to the committee amendment affects a smaller amount. I certainly hope the amendment to the committee amendment will be rejected. I ask for the yeas and nays on the question of agreeing to the amendment to the committee amendment.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. DAVIS. Announcing again my general pair with the junior Senator from Kentucky [Mr. CHANDLER], I transfer that pair to the senior Senator from Nebraska [Mr. BUTLER], who I am advised would, if present, vote "nay." I am, therefore, at liberty to vote. I vote "nay."

Mr. MEAD. My colleague the senior Senator from New York [Mr. WAGNER] is necessarily absent. If present, he would vote "yea." He has a general pair with the Senator from Kansas [Mr. REED].

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], and the Senator from Montana [Mr. MURRAY] are detained in committee meetings. I am advised that if present and voting, the Senator from Montana [Mr. MURRAY] would vote "yea."

The Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mr. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Rhode Island [Mr. GREEN], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from Florida [Mr. PEPPER], and the Senator from Massachusetts [Mr. WALSH] are detained on public business. I am advised that if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], and the Senator from Florida [Mr. PEPPER] would vote "yea."

The Senator from Washington [Mr. BONE], the Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent. I am advised that if present and voting, the Senator from Washington [Mr. BONE], and the Senator from Kentucky [Mr. CHANDLER] would vote "yea."

The Senator from Indiana [Mr. JACKSON], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business. I am advised that if present and voting, the Senator from Indiana [Mr. JACKSON] and the Senator from Washington [Mr. WALLGREN] would vote "yea."

The Senator from Arizona [Mr. HAYDEN], who is detained in one of the Government departments, has a general pair with the Senator from North Dakota [Mr. NYE]. I am not advised how either Senator would vote if present and voting.

Mr. WHERRY. The Senator from Nebraska [Mr. BUTLER] is necessarily absent. I am advised that if present he would vote "nay."

The Senator from Oregon [Mr. CORDON] is paired on this question with the

Senator from Florida [Mr. PEPPER]. I am advised that if present the Senator from Oregon would vote "nay," and the Senator from Florida would vote "yea."

The Senator from South Dakota [Mr. GURNEY] is paired on this question with the Senator from Rhode Island [Mr. GREEN]. I am advised that if present the Senator from South Dakota would vote "nay," and the Senator from Rhode Island would vote "yea."

The Senator from North Dakota [Mr. NYE] has a general pair with the Senator from Arizona [Mr. HAYDEN].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Oklahoma [Mr. MOORE] is necessarily absent.

The result was announced—yeas 24, nays 32, as follows:

YEAS—24

Aiken	Ellender	Maybank
Andrews	Guffey	Mead
Austin	Hatch	Radcliffe
Ball	Hill	Shipstead
Barkley	Kilgore	Thomas, Utah
Burton	La Follette	Tunnell
Clark, Idaho	Langer	Wheeler
Downey	McFarland	Wiley

NAYS—32

Bankhead	Hawkes	Taft
Brewster	Holman	Thomas, Idaho
Bridges	McCarran	Tydings
Brooks	McClellan	Vandenberg
Buck	McKellar	Walsh, N. J.
Bushfield	Millikin	Weeks
Byrd	Overton	Wherry
Clark, Mo.	Revercomb	White
Davis	Robertson	Willis
Eastland	Russell	Wilson
Ferguson	Stewart	

NOT VOTING—40

Bailey	Glass	O'Mahoney
Bilbo	Green	Pepper
Bone	Gurney	Reed
Butler	Hayden	Reynolds
Capper	Jackson	Scruggam
Caraway	Johnson, Calif.	Smith
Chandler	Johnson, Colo.	Thomas, Okla.
Chavez	Lucas	Tobey
Connally	Maloney	Truman
Cordon	Moore	Wagner
Danaher	Murdock	Wallgren
George	Murray	Walsh, Mass.
Gerry	Nye	
Gillette	O'Daniel	

So Mr. MEAD's amendment to the committee amendment was rejected.

The VICE PRESIDENT. The question recurs on agreeing to the committee amendment at the top of page 13.

The amendment was agreed to.

The VICE PRESIDENT. The question now recurs on agreeing to the committee amendment on page 12, line 2.

Mr. MEAD. Mr. President, I offer another amendment which I send to the desk and ask to have stated. I realize that the Senate has already been very patient with me, and I appreciate the futility of offering successive amendments. This amendment would merely give the conferees an opportunity to restore \$209,000 to the regular appropriation, which might be applied to emergency or unspecified activities. In view of the fact that such activities may be needed with the forthcoming invasion, I hope the acting chairman of the committee will take it to conference. If he will not, I shall not ask for a yeas-and-nays vote.

Mr. McKELLAR. Mr. President, following the directions of the committee,

I am obliged to object to the amendment. I ask that it be rejected.

The VICE PRESIDENT. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 12, line 2, after the word "amended", in lieu of the committee amendment to strike out "\$2,209,000" and insert "\$2,000,000", it is proposed to insert "\$2,209,000."

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 12, line 2. The purpose of the Senator from New York would be served by disagreeing to the committee amendment.

The committee amendment was agreed to.

Mr. MEAD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 13, line 1, in lieu of the committee amendment, it is proposed to insert "\$4,491,143."

The VICE PRESIDENT. The Senator's amendment is the same as the House text.

Mr. McKELLAR. Mr. President, this question has already been voted upon.

The VICE PRESIDENT. Is there objection to reconsideration of the committee amendment on page 13, line 1?

Mr. RUSSELL. Mr. President, has not that amendment already been reconsidered on one occasion?

The VICE PRESIDENT. The committee amendment was agreed to.

Mr. RUSSELL. I object to its reconsideration.

Mr. MEAD. Mr. President, it occurs to me that that question was disposed of. So far as I am concerned, I am satisfied.

The VICE PRESIDENT. Does the Senator from New York wish to press his second amendment?

Mr. MEAD. No. I think the question was thoroughly disposed of.

SOCIAL-SECURITY PAY-ROLL TAXES—LETTER FROM SENATOR VANDENBERG TO THE EDITOR OF THE WASHINGTON STAR

Mr. VANDENBERG. Mr. President, the statement which I made a few days ago regarding social-security pay-roll taxes has been misinterpreted in some quarters. In order to make the record entirely clear, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have written to the editor of the Washington Star on this subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 20, 1944.

EDITOR, THE STAR,

Washington, D. C.

DEAR SIR: To keep the record straight, I respectfully make a correction in one of your Sunday feature stories regarding social security. In discussing my persistent 3-year effort to keep pay-roll taxes at their present 1-percent level (on employers and employees) it is stated that I have now reversed my position taken as recently as last February when I was successfully arguing "that it's ridiculous to pile up a huge fund in the Treasury when Secretary Morgenthau him-

self has estimated that a safe margin to have on hand is three times the amount that will be needed at any time during the next 5 years."

I have not reversed my position. Your writer's mistake, however, quite understandably flows from another recent news story which may have unwittingly invited this erroneous conclusion. At that time I was asked whether the social-security law should be amended to make the present 1-percent tax permanent, thus wiping out for keeps the progressive pay-roll tax increase contemplated by the statute for future years. I replied that the present 1-percent rate cannot be permanent because the time will come when heavily accumulating benefit payments will then require the statutory increases to take effect. This has been construed in several quarters, including your excellent Sunday feature story, as meaning that I believe we have already reached the point where increased benefit payments already require increased pay-roll taxes—although I successfully argued to the contrary in Congress within the last few weeks and have not in any degree changed my mind.

My position is and will continue to be precisely as heretofore urged in the Congress. I stand for whatever social-security pay-roll taxes are necessary to maintain adequate reserves for the old-age and survivors benefit payments. I would not for an instant deprive these reserves of 1 essential penny. On the other hand, I would not burden 40,000,000 workers and all of their employers with any needless increase in pay-roll taxes to build up needless reserves. The yardstick for measuring the adequacy of these reserves has been laid down by Secretary of the Treasury Morgenthau himself—namely, a reserve which is 3 times the highest drain contemplated in 5 subsequent years. The reserve at present is at least twice adequate under this rule. Therefore, I have opposed a 100-percent increase in pay-roll taxes in 1944. By the same token, whenever the reserve in future years does become inadequate, I shall, for identically the same reason, favor an increase in pay-roll taxes. Only subsequent events in subsequent years can indicate when this will be.

In a word, I have not reversed my position. On the contrary, I stand squarely upon it as always. You will understand that I am not writing in any spirit of complaint. I fully realize how the error occurred. I simply deem it vitally important to keep the record unassailably faithful.

Cordially and faithfully,

A. H. VANDENBERG.

EXECUTIVE SESSION

Mr. McKELLAR. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Henry N. Graven, of Iowa, to be United States district judge for the northern district of Iowa, vice George C. Scott, retired;

John J. Morris, Jr., of Delaware, to be United States attorney for the district of

lina [Mr. REYNOLDS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from New York [Mr. WAGNER] are necessarily absent. I am advised that if present and voting, the Senator from Kentucky [Mr. CHANDLER], the Senator from Utah [Mr. MURDOCK], and the Senator from New York [Mr. WAGNER] would vote "yea."

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Utah [Mr. THOMAS]. The Senator from New Hampshire is necessarily absent.

The Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. GURNEY], and the Senator from Oklahoma [Mr. MOORE] are necessarily absent.

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER]. The Senator from Kansas is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The result was announced—yeas 47, nays 9, as follows:

YEAS 47

Alken	Ferguson	O'Mahoney
Andrews	George	Overton
Austin	Gerry	Radcliffe
Barkley	Gillette	Robertson
Bone	Green	Stewart
Brewster	Guiffey	Taft
Burton	Hawkes	Truman
Byrd	Hayden	Tunnell
Capper	Hill	Tydings
Clark, Mo.	Holman	Vandenberg
Connally	Kilgore	Walsh, Mass.
Danaher	La Follette	Walsh, N. J.
Davis	Langer	Weeks
Downey	McFarland	White
Eastland	Maybank	Wiley
Ellender	Murray	

NAYS—9

Brooks	Millikin	Wherry
Buck	Revercomb	Willis
McClellan	Shipstead	Wilson

NOT VOTING—40

Bailey	Hatch	Reed
Ball	Jackson	Reynolds
Bankhead	Johnson, Calif.	Russell
Bilbo	Johnson, Colo.	Scrugham
Bridges	Lucas	Smith
Bushfield	McCarran	Thomas, Idaho
Butler	McKellar	Thomas, Okla.
Caraway	Maloney	Thomas, Utah
Chandler	Mead	Tobey
Chavez	Moore	Wagner
Clark, Idaho	Murdoch	Wallgren
Cordon	Nyc	Wheeler
Glass	O'Daniel	
Gurney	Pepper	

So the conference report was agreed to.

APPOINTMENT OF BRIGADIER GENERALS OF THE LINE IN THE REGULAR ARMY

Mr. AUSTIN. From the Committee on Military Affairs I report back the amendment of the House of Representatives to the bill (S. 1410) to amend section 4 of the act approved June 30, 1940, with the recommendation that the Senate concur in the House amendment. I ask unanimous consent for immediate consideration of the amendment.

The VICE PRESIDENT. The amendment will be stated.

The Chief Clerk read the amendment of the House of Representatives to the bill (S. 1410) to amend section 4 of the

act approved June 13, 1940, which on motion of Mr. AUSTIN on November 29 had been referred to the Committee on Military Affairs, as follows:

On page 1, strike out all after line 4 over to and including line 6, on page 2, and insert:

"SEC. 4. That hereafter brigadier generals of the line shall be appointed from among officers of the line commissioned in grades not below that of lieutenant colonel who are credited with 28 years' continuous commissioned service in the Regular Army as hereinbefore provided and whose names are borne on an eligible list prepared annually by a board of not less than five general officers of the line, not below the grade of major general; *Provided, however,* That not more than 25 percent of the total authorized number of brigadier generals of the line may be appointed, without regard to length of service, from among officers of the line commissioned in grades not below that of lieutenant colonel who are credited with 28 years' continuous commissioned service in the Regular Army as hereinbefore provided, and who have demonstrated by actual and extended service in such branch or on similar duty that they are qualified for such appointment."

The VICE PRESIDENT. The question is on concurring in the amendment of the House to Senate bill 1410.

The amendment was concurred in.

Mr. AUSTIN. Mr. President, for the sake of the RECORD, I ask to have inserted a memorandum for the President of the Senate, signed by President Roosevelt, dated October 1, 1943, which explains the occasion for the amendment of section 4. It explains it just as well as I could explain it, and since this bill has already been thoroughly considered and a full explanation made at the time it passed the Senate, I will refrain from further discussing the matter.

The VICE PRESIDENT. Without objection, the memorandum will be printed in the RECORD.

There was no objection.

The memorandum is as follows:

Attached is a list of nominations to fill vacancies among the permanent general officers of the line. The names of these particular officers are well known for the conspicuous services they have already rendered the Nation in the present emergency. Five of them, however, Lieutenant Generals Kenney and Clark and Major Generals Handy, Eaker, and Smith, have less than the legally prescribed 28 years of continuous commissioned service in the Regular Army which is required by the National Defense Act as a prerequisite to appointment as a brigadier general of the line of the Regular Army. The provisions of the National Defense Act quite evidently had in mind peacetime conditions because it is not conceivable that a lieutenant general, for example, in highly successful command of our Air Forces engaged with the enemy in the Southwest Pacific is not qualified for appointment as a brigadier general of the Regular Army.

I hope you will arrange for the necessary modification of the law to meet this situation.

FRANKLIN D. ROOSEVELT.

Mr. AUSTIN. Mr. President, I understand that the action taken by the Senate in concurring in the House amendment passes the bill. Is that correct?

The VICE PRESIDENT. The amendment is concerned in, and the bill is passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1349. An act to authorize the Secretary of the Navy to convey to the city of New York certain lands within the Brooklyn Navy Yard in the city of New York;

S. 1428. An act to amend the provision of the act authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of officers, enlisted men, or nurses of the Navy or Marine Corps, and for other purposes;

S. 1635. An act to eliminate a pay discrimination against the teacher of music at the United States Military Academy; and

S. 1653. An act to provide titles for heads of staff departments of the United States Marine Corps, and for other purposes.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1640. An act to authorize the Secretary of the Navy to accept gifts and bequests for the United States Naval Academy, and for other purposes; and

S. 1647. An act to amend the act approved March 2, 1895, as amended.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2037. An act to codify and enact into absolute law, title 9 of the United States Code, entitled "Arbitration";

H. R. 2038. An act to codify and enact into absolute law title 4 of the United States Code, entitled "Flag and Seal, Seat of Government, and the States";

H. R. 2039. An act to codify and enact into absolute law title 6 of the United States Code, entitled "Official and Penal Bonds";

H. R. 2040. An act to codify and enact into absolute law, title 1 of the United States Code, entitled "General Provisions";

H. R. 2973. An act to provide that no person shall publish or distribute any political statement relating to a candidate for election to any Federal office which does not contain the name of the person responsible for its publication or distribution;

H. R. 4140. An act to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156-1157; 8 U. S. C. 734);

H. R. 4271. An act to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; and

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 72) to provide for appropriate commemoration of the Centennial of the Telegraph on May 24, 1944, in which it requested the concurrence of the Senate.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 2037. An act to codify and enact into absolute law, title 9 of the United States Code, entitled "Arbitration";

H. R. 2038. An act to codify and enact into absolute law title 4 of the United States Code, entitled "Flag and Seal, Seat of Government, and the States";

H. R. 2039. An act to codify and enact into absolute law title 6 of the United States Code, entitled "Official and Penal Bonds";

H. R. 2040. An act to codify and enact into absolute law, title 1 of the United States Code, entitled "General Provisions"; and

H. R. 2973. An act to provide that no person shall publish or distribute any political statement relating to a candidate for election to any Federal office which does not contain the name of the person responsible for its publication or distribution; to the Committee on the Judiciary.

H. R. 4140. An act to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156-1157; 8 U. S. C. 734), and

H. R. 4271. An act to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; to the Committee on Immigration.

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 72) to provide for appropriate commemoration of the Centennial of the Telegraph on May 24, 1944, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The VICE PRESIDENT. The next amendment reported by the committee will be stated.

The next amendment was, under the heading "Federal Power Commission—Salaries and expenses," on page 13, line 24, after the word "periodicals", to strike out "\$2,000,000" and insert "\$1,997,000."

The amendment was agreed to.

The next amendment was, on page 15, line 8, after the word "lithographing", to strike out "\$30,000" and insert "\$25,000."

The amendment was agreed to.

The next amendment was, under the heading "Federal Trade Commission," on page 15, line 20, after the word "act", to strike out "\$2,011,070" and insert "\$1,978,707."

The amendment was agreed to.

The next amendment was, on page 16, at the end of line 2, to reduce the appropriation for printing and binding for the Federal Trade Commission from \$48,900 to \$43,000.

The amendment was agreed to.

The next amendment was, under the heading "Federal Works Agency—Public Buildings Administration," on page 19, line 13, after "(45 Stat. 533)", to strike out "\$3,000,000" and insert "\$2,000,000."

The amendment was agreed to.

The next amendment was, on page 20, line 11, after the word "conductors", to strike out "and the purchase of two motor-propelled passenger-carrying vehicles; \$29,532,400" and insert "\$29,530,800."

The amendment was agreed to.

The next amendment was, on page 21, line 4, after the word "employees", to strike out "purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of one motor-propelled passenger-carrying vehicle"; and in line 11, before the word "Provided", to strike out "\$10,581,000" and insert "\$9,581,000."

The amendment was agreed to.

The next amendment was, under the subhead "Federal-aid highway system," on page 24, line 23, after the word "probation", to strike out the colon and the following additional proviso: "Provided further, That not to exceed \$55,000 of the funds provided for carrying out the provisions of the Federal Highway Act of November 9, 1921 (23 U. S. C. 21, 23), shall be available for the purchase of motor-propelled passenger-carrying vehicles."

The amendment was agreed to.

The next amendment was, under the subhead "Inter-American Highway," on page 27, line 11, after the words "Revised Statutes", to strike out "including the purchase of motor-propelled passenger-carrying vehicles."

The amendment was agreed to.

The next amendment was, under the subhead "Strategic highway network," on page 28, line 5, after "(23 U. S. C. 104)", to strike out "\$20,000,000" and insert "\$10,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Surveys and plans," on page 28, line 24, before the word "to", to strike out "\$5,000,000" and insert "\$4,000,000."

The amendment was agreed to.

The next amendment was, on page 29, after line 2, to insert:

All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby released and made available for obligation or expenditure for the purposes for which they were originally appropriated.

The amendment was agreed to.

The next amendment was, under the heading "Foreign-Service pay adjustment," on page 29, line 23, after the word "therein", to strike out "\$722,390" and insert "\$640,000."

The amendment was agreed to.

The next amendment was, under the heading "General Accounting Office," on page 30, line 8, after the word "periodicals" and the semicolon, to strike out "the purchase of one motor-propelled passenger-carrying vehicle"; and in line 10, after the word "vehicles", to strike out "\$1,200,000" and insert "\$1,198,600."

The amendment was agreed to.

The next amendment was, under the heading "Interstate Commerce Commission, salaries and expenses," on page 34, line 15, after the word "services" and the semicolon, to strike out "purchase (not to exceed seven)"; and in line 19, after the word "act", to strike out "\$3,260,000" and insert "\$3,250,000."

The amendment was agreed to.

The next amendment was, under the heading "National Advisory Committee for Aeronautics," on page 36, line 3, before the word "maintenance", to strike

out "purchase"; and in line 10, after the words "in all", to strike out "\$23,220,130" and insert "\$23,212,630."

The amendment was agreed to.

The next amendment was, under the heading "National Archives," on page 37, line 9, after the word "vehicle", to strike out "\$1,042,340" and insert "\$1,084,000."

The amendment was agreed to.

The next amendment was, under the heading "National Housing Agency, Federal Housing Administration," on page 43, line 10, after the word "exceed", to strike out "\$10,484,635" and insert "\$10,184,635."

Mr. BARKLEY. Mr. President, on that amendment I wish to call the attention of the Senate and of the Senator from Tennessee to a situation in regard to the Federal Housing Administration which it seems to me should justify the Senate in rejecting the amendment.

What the amendment does is to reduce by \$300,000 the appropriation for the Federal Housing Administration. As we know, the Federal Housing Administration is one of the agencies of the Federal Government that is really self-sustaining. All its expenses are paid out of its income, and, in addition to that, money is turned back into the Treasury.

We know that while the Federal Housing Administration is not now as active in the matter of financing the construction and repair of houses as it was prior to the war, yet I think we can all look forward to a very great increase in the construction and repair of houses throughout the United States when the war is over. Of course, no houses can be built now and very little repair work can be done because of the scarcity of building materials and because of priorities which are unobtainable in regard to building material of all kinds. I have no doubt that, just as there will be Nationwide road building inaugurated at the conclusion of the war under the provisions of legislation which I think we may anticipate to the same extent and along with it will come a resurgence of house building in the United States, because by the time this war is over and materials become available there will no doubt be a general desire and need for more houses in the United States to shelter people who are now being housed in various war areas by facilities which the Government has built. Those facilities will not be available in widely scattered sections of the country and there will undoubtedly be a great need for more housing facilities, affording an outlet for house-building material, and for the employment of carpenters, plumbers, and the like. It seems to me unwise to reduce by \$300,000 the appropriation for this self-sustaining agency, so that it will have to disband part of its organization in order to meet the reduced appropriation. It should be encouraged to be looking forward to the time when the Federal Housing Administration will be more greatly needed than it is now, and in my judgment even more so than it may have been when the organization was set up.

I am wondering whether the Senator from Tennessee does not realize the importance of this situation. I have here a copy of a letter furnished me by the

Commissioner, which is a copy of a letter sent to the Senator from Tennessee. I was hoping really as much to persuade the Senator from Tennessee not to insist on the amendment as to have the Senate reject it.

Mr. ANDREWS. Mr. President, if the Senator will yield, how does the amount \$10,184,635 compare with former appropriations for the same purpose?

Mr. BARKLEY. I think the appropriation for the fiscal year 1944, which ends the 30th of next June, is \$11,159,830. That is \$929,000 plus per month, or \$6,509,000 for the first 7 months of the fiscal year. The appropriation carried in the bill as it passed the House was \$10,484,635, which is a reduction of about half a million dollars in the House bill from the current appropriation. The Senate committee amendment reduces it further by \$300,000.

Mr. ANDREWS. I thank the Senator.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER (Mr. OVERTON in the chair). Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. McKELLAR. The Senator from New Jersey [Mr. WALSH] spoke to me about this amendment. I do not see him in the Chamber at the moment.

Mr. McCLELLAN. I have sent for the Senator from New Jersey so that he may be present during the consideration of the amendment.

Mr. McKELLAR. The Senator from New Jersey spoke to me about this matter, and I had it investigated. I found that the amendment was reported by the subcommittee, and was agreed to as a matter of course. There is some overtime which necessarily will have to be taken care of in the appropriation, and, so far as I personally am concerned, I shall not ask that the amendment be agreed to.

Mr. BARKLEY. I thank the Senator from Tennessee.

Mr. McKELLAR. I am sorry the Senator from New Jersey is not present, because I told him I would let him know when we reached this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LANGER. On what page is the amendment?

The PRESIDING OFFICER. On page 43, lines 10 and 11.

The amendment was rejected.

Mr. HOLMAN. Mr. President, I had desired to ask what justifies increasing the amount.

Mr. McKELLAR. It is not an increase. There is a question of overtime, which has arisen under the law.

Mr. HOLMAN. I was merely interested in the question of dollars and cents.

Mr. WHITE. Mr. President, rejecting the amendment merely restores the amount provided by the House?

Mr. McKELLAR. Yes; and if it is not restored, I am informed, there will be a question as to paying for overtime.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the subhead "Federal Public Housing Authority," on page 46, line 8, after the word "exceed," to strike out "\$2,782,440" and insert "\$2,772,940", and in line 13, before the word "maintenance," to strike out "purchase (not to exceed 10)."

The amendment was agreed to.

The next amendment was, under the heading "Tariff Commission," on page 51, line 1, after "1330-1341", to strike out "\$930,000" and insert "\$980,000."

Mr. LANGER. Mr. President, I wish to go back to page 48 and ask for an explanation of the item in line 7. I desire to know how many rubber gloves we are buying for the Securities and Exchange Commission, and why we are buying any.

Mr. McKELLAR. I am sure it is a very small quantity. They are used by those doing photostatic work in the laboratory.

Mr. LANGER. There is no provision for a laboratory.

Mr. McKELLAR. No, but they have photostatic apparatus. When I said "laboratory" I was speaking very broadly. They carry on photostatic work, in which it is necessary to use rubber gloves.

Mr. LANGER. Can the Senator give us an idea as to what the appropriation amounts to?

Mr. McKELLAR. It is a very small amount. I can ascertain the figure and put it in the Record.

Mr. LANGER. May we pass it over temporarily?

Mr. McKELLAR. Very well.

Mr. BARKLEY. There is no amendment involved.

Mr. McKELLAR. The Senator from North Dakota would have to offer an amendment, if he desired to take out the word "gloves."

Mr. LANGER. I do not want to take it out, but I do want an explanation.

Mr. McKELLAR. I will find out about it.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 51, line 1.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Tennessee Valley Authority," on page 51, line 17, after the name "Kentucky" and the semicolon, to strike out "Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project)."

Mr. BANKHEAD. Mr. President—

The PRESIDING OFFICER. The Senator from Alabama.

Mr. BARKLEY. Does this amendment and do the following amendments relate to the T. V. A.?

Mr. McKELLAR. Yes.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Ferguson	Revercomb
Andrews	George	Robertson
Austin	Gerry	Russell
Bailey	Gillette	Shipstead
Ball	Green	Stewart
Bankhead	Guffey	Taft
Barkley	Hawkes	Thomas, Idaho
Bone	Kayden	Thomas, Utah
Brewster	Hill	Truman
Brooks	Folman	Tunnell
Buck	Kilgore	Tydings
Burton	La Follette	Vandenberg
Eushfield	Langer	Walsh, Mass.
Byrd	McCarran	Walsh, N. J.
Capper	McClellan	Weeks
Clark, Idaho	McFarland	Wheeler
Clark, Mo.	McKellar	Wherry
Connally	Maybank	White
Danaher	Millikin	Wiley
Davis	Murray	Willis
Downey	O'Mahoney	Wilson
Eastland	Overtone	
Ellender	Radcliffe	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

Mr. HILL. Mr. President, we have now reached the point in the bill where we have before us for consideration the amendments with reference to the Tennessee Valley Authority. If these amendments affecting T. V. A., sponsored by the Senator from Tennessee and approved by the committee, are adopted, every substantial decision with respect to the operation of this great enterprise will be moved to Washington. Under these amendments, absentee management in Washington, remote control of the details of operation of the T. V. A.'s vast power system, would be substituted for management by technicians in the Tennessee Valley, where responsibility now is lodged by act of Congress.

I cannot now recall a more dangerous step toward centralization in Washington than that before us. I am against these proposals. Senators who do not now speak out can never with good conscience rise to cry out against the evils of overcentralization in Washington. No Senator who votes now to approve the Senator's amendments can ever again complain about inefficiency and extravagance in the executive branch of the Government. For by the adoption of these amendments the Senate will have approved the impossible, wasteful, and unbusinesslike step of managing from the Halls of Congress a huge power system, 500 miles away from where we sit.

What is here proposed is a gross perversion of our system of constitutional Government. Congress was established to determine the policies of a great Nation, not to decide such technical questions as whether a transmission line should be of 154,000- or 66,000-volt capacity. These amendments depart from the great traditions of our democracy; for, by adopting them, we would remove to this far-off Chamber control over the details of a power operation. Mr. President, the Constitution intended that Senators be legislators, not electrical engineers.

It is an ironic circumstance that amendments that foster centralization in Washington should come from my distinguished friend the senior Senator from Tennessee, a Senator from a state that, like Alabama, stoutly opposes overcentralization.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend, the Senator from Tennessee.

Mr. McKELLAR. I should like to ask the Senator if he knows of any other department or activity of Government which collects money and which is not required by law to pay the receipts into the Treasury of the United States.

Mr. HILL. There are a number of departments of the Government which are accorded certain discretionary powers and certain flexibility and independence in the operations they carry on.

Mr. McKELLAR. Which ones are they?

Mr. HILL. The R. F. C. has certain flexibility and certain independence, as also do the Export-Import Bank, the War Shipping Administration, and the Maritime Commission. However, there are a number of other agencies which have similar powers. If the Senator would like to have me do so, I could read a list of them into the RECORD.

Mr. McKELLAR. I should like to have a list of them read into the RECORD. I looked up the question, and the only one which was suggested to me was a small activity in the city of Washington, the Alley Dwelling Authority. I found that the Congress had either at the time of its creation or subsequent thereto required it to pay its receipts into the Treasury.

The R. F. C. is in a very different situation. It lends money. That is very different from collecting money for the Government. The Senator from Alabama knows—and the Senator voted for the T. V. A. Act, I am sure, if he was then a Member of the House or of the Senate—that the original T. V. A. Act of 1933, as passed by the Congress, required all receipts to be paid into the Treasury of the United States. The only reason why that provision of the act is not operative today is that in appropriation bills Mr. Lillenthal secured the enactment of a provision that he might use the receipts of the previous year. However, as a matter of fact, the original act contained a provision requiring the T. V. A. to pay the receipts into the Treasury of the United States.

Mr. HILL. Mr. President, in response to what the Senator has said, let me say that, of course, all receipts taken in by the T. V. A. and all receipts of other Government corporations finally go into the Treasury, as they should go. However, the Senator from Tennessee is in error, if he will permit me to say so, in his reference to the original act. I was not only a Member of Congress when the original act was passed but I was a member of the House committee which had jurisdiction over the matter in the House, and I sat on the conference committee as one of the House conferees. The original section 26 of that act contained the following provision:

The net proceeds derived by the Board—

That is to say, by the T. V. A. Board—from the sale of power and any of the products manufactured by the Corporation, after deducting the cost of operation, maintenance, depreciation, amortization, and an amount deemed by the Board as necessary to with-

hold as operating capital, or devoted by the board to new construction, shall be paid into the Treasury of the United States at the end of each calendar year.

That is exactly the language used in the original act, as that act passed the Congress of the United States. It gave to the T. V. A. Board the power to withhold operating capital. That is what I am contending for today, namely, that the Board may have certain leeway and certain flexibility with reference to operating capital.

The truth of the matter is that the language of the appropriation bill which the Senator now seeks to change and amend is more stringent than section 26 of the basic T. V. A. Act.

Mr. McKELLAR. Mr. President, the Senator has spoken of what I propose to change and amend. The Senator is wholly mistaken. The House provision amends the organic act of the T. V. A. by permitting the money to be retained and used by the T. V. A. Board. My amendment or the amendment proposed by the committee is merely one to restore the original provision.

Now, I desire to read into the RECORD—

Mr. HILL. Just a minute, Mr. President. The Senator is entirely in error when he says that his amendment is merely one to restore the original provision. If the Senator from Tennessee will read the language of the original provision, as I have read it into the RECORD, he will observe that his amendment is nothing at all like the language of the original bill.

Mr. McKELLAR. It goes further than the language of the original bill.

Mr. HILL. No; it does not read anything like the language of the original bill. The language of the original bill permitted the Board to withhold receipts for operating capital or, as the language provided, to be devoted by the Board to new construction.

Mr. McKELLAR. Mr. President, if that had been correct—

Mr. HILL. Mr. President, let me say to the Senator that the question is not one of what is correct or what is not correct. The language I have read to the Senate is taken verbatim, ad literatim, from the original act.

Mr. McKELLAR. Let me read section 26 of the present law.

Mr. HILL. Very well.

Mr. McKELLAR. It reads as follows:

Commencing July 1—

Mr. HILL. Mr. President, there the Senator is in error again. What the Senator is seeking to read now is not what was contained in the original act. He has commenced to read section 26 as amended in 1935. However, if he wishes to read section 26, as amended in 1935, I shall be glad to have him do so.

Mr. McKELLAR. Mr. President, if the Senator is going to yield to me—

Mr. HILL. Let me say to the Senator, if he will permit me to do so, and then I shall yield to him, that he must remember that in 1933 the Congress passed the original act with section 26 in it. I have read to the Senate the language of section 26 of the original act. Subsequently, in

1935, the Congress amended the original act, and, in 1935, amended section 26 of the original act. If the Senator wishes to read section 26, as amended by the act of 1935, I shall be glad to yield to him. I shall read to the Senate section 26, as amended in 1935—in other words, section 26 as it now stands in the Tennessee Valley Authority Act, as amended. It provides as follows:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the corporation, and from any other activities of the corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation.

That is section 26.

Mr. McKELLAR. And that is the present law.

Mr. HILL. Let me say to the Senator that that is not the present law, for this reason: In the various appropriation bills which have been enacted during the past 7 years, we have changed section 26, so that today the T. V. A. is really not operating strictly under section 26 as amended. Under the language of section 26 originally, and section 26 as amended, the T. V. A. could deposit its receipts anywhere it saw fit, withholding the receipts under the powers granted in section 26. In appropriation bills we provided that the T. V. A. should pay its receipts into a special fund in the Treasury. The T. V. A. receipts have gone into a special fund in the Treasury, and each year Congress has reappropriated the funds which have accumulated in the special T. V. A. fund, together with any other moneys which the T. V. A. needed for the operation of its projects.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McCLELLAN. Under the present procedure, which the Senator has outlined, are all funds expended by the T. V. A. now required to be appropriated by Congress from year to year?

Mr. HILL. No.

Mr. McCLELLAN. As I interpreted the Senator's statement, it implied as much.

Mr. HILL. The T. V. A. now has the power to draw on those funds for operating expenses or to meet emergencies.

Mr. McCLELLAN. Does this fund actually go into the Treasury of the United States?

Mr. HILL. No; it actually goes into a special T. V. A. fund in the Treasury.

Mr. McCLELLAN. A special fund set up in the Treasury?

Mr. HILL. A special fund set up in the Treasury.

Mr. McCLELLAN. After the money is paid into that fund by the T. V. A., can

it withdraw it at will without an appropriation by Congress?

Mr. HILL. It can withdraw it to meet operating expenses, or to meet emergencies.

Mr. McCLELLAN. Can it withdraw all of it, or any part of it it may desire to withdraw, without an appropriation or affirmative action by Congress?

Mr. HILL. It can during that particular fiscal year.

Mr. McCLELLAN. And it is doing so now?

Mr. HILL. It is doing so now. It can do so for that particular fiscal year. To make that money available for the next fiscal year, Congress has reappropriated whatever might be left in the fund, and in addition appropriated any other moneys which might be necessary for the T. V. A.

Mr. McCLELLAN. During any particular fiscal year, it can withdraw any money it pays in, before the year is concluded.

Mr. HILL. That is correct. It has a great transmission line running from Tennessee into the Senator's State of Arkansas. If there should be a tornado and that line should be blown down, the T. V. A. could withdraw from this fund whatever might be necessary to rehabilitate and restore the line.

Mr. McCLELLAN. Aside from emergencies, can it withdraw money from the fund for any other purposes?

Mr. HILL. It can withdraw money from the fund only to meet emergencies, and for such other purposes as are set out in section 26—"in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients."

Mr. McCLELLAN. That is the purpose for which it functions?

Mr. HILL. That is the purpose for which it functions.

Mr. McCLELLAN. So it can withdraw money from the fund for any purpose for which it operates.

Mr. HILL. It has done some other work. It has conducted certain experiments. As the Senator knows, it has conducted experiments with reference to obtaining alumina from the clays of Arkansas. Instead of having to send to South America or the Far East to obtain aluminum clays, it has carried on experiments to ascertain if it is not possible to obtain alumina from the clays in Arkansas. If it should need extra money for those experiments, I doubt if it could take it out of the special fund. Those experiments have been directly appropriated for.

Mr. McCLELLAN. That is what I was about to ask. Has the money which it has expended for those purposes been directly appropriated?

Mr. HILL. Most of it has been directly appropriated.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. Does the Senator mean to say that funds for experimental purposes have been directly appropriated by Congress?

Mr. HILL. I do not mean to say that the Congress specifically used the words "alumina investigations," but it has made appropriations for investigations. In the language of the bill the Senator will find the word "investigations."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. ELLENDER. The Senator has stated that some of the funds of the T. V. A. are appropriated by Congress. Does he not refer to such funds as may be left over from year to year?

Mr. HILL. They were funds which were left over; and, particularly in the early days, there were large appropriations, because there was not much income.

Mr. ELLENDER. The Senator referred to funds left over from one year to another.

Mr. HILL. Funds which had been taken in as receipts, and which the Congress reappropriated for the next fiscal year. Some other funds have also been appropriated directly out of the Treasury. That was particularly true in the early days, before the T. V. A. had much income. In the early days the T. V. A. had a very small income and very large expenditures, because of the construction of many dams.

Mr. ELLENDER. I had reference to the income of T. V. A.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McCLELLAN. I am seeking information. Is there any other independent agency of the Government which operates in the same manner, and has a special fund from which it can make expenditures from time to time without direct appropriations by Congress?

Mr. HILL. Of course, there is no other agency operating exactly as the T. V. A. operates. It operates a power system, and also carries on work in the development of fertilizers. However, there are a number of agencies which are given flexibility, discretion, and independence in the handling of their funds.

Mr. McCLELLAN. That is by specific language, either in the basic acts creating such agencies, or in the appropriations made for their benefit.

Mr. HILL. That is correct. For example, this is the language of the Commodity Credit Corporation Act:

The Corporation is hereby authorized to use all its assets, including capital and net earnings therefrom and all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency, including the making of loans on agricultural commodities.

In the same way, certain flexibility and independence are given to the Export-Import Bank, the Reconstruction Finance Corporation, the Home Owners' Loan Corporation, the Federal Deposit Insurance Corporation, and the Inland Waterways Corporation. I am sure the Senator is familiar with the Inland Waterways Corporation, because it operates on the Mississippi River in his State. A similar flexibility exists in the operations

of the War Shipping Administration, under the Maritime Commission.

When we have created a Government corporation and then have imposed upon the corporation duties and functions of a private corporation, we have given to the corporation the flexibility and independence which it had to have in order to function as a private corporation. The fact is that when the President sent his message to Congress back in 1933 asking for the T. V. A. legislation, he used the following words:

To create a corporation clothed with the power of government—

Clothed with the power of government—

but possessed of the flexibility and initiative of a private enterprise.

That is exactly what we sought to do in setting up the T. V. A.—to give those powers to the T. V. A., just as I have said we have given kindred or similar powers to other corporations which carry on the business of a private corporation.

I wish to emphasize, Mr. President, that in the original act, and in the original act as amended in 1935, as well as in the language which has been carried in appropriation bills up to the present day, the T. V. A. has had this flexibility, this right, and this power to use the receipts for the purposes which I have previously stated and read from the act.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. If what the Senator says is correct, why did the T. V. A. ask for and receive from the other House an amendment to the bill? The amendment is somewhat different from what has been offered heretofore. The House is undertaking to change the law, and that is the only reason why the amendments which the committee has offered are in order. They would not be in order unless the House had endeavored to change the law.

Mr. HILL. I shall tell the Senator exactly why that was done.

Under the original section 26 of the T. V. A. Act as amended, there was no provision or requirement with reference to where or how the T. V. A. should deposit its funds. Under the original section 26, and under section 26 as amended, the T. V. A. could deposit its money in a bank at Knoxville, Tenn., or at Sheffield, Ala., or at any place it saw fit. It could put its money in many different banks.

The T. V. A., after operating for a little more than 2 years, and after many conferences with the Comptroller General and with the members of the House Committee on Appropriations, and more particularly with the then chairman of the House committee, Mr. Buchanan, Representative from Texas, concluded that it would make for better auditing by the Comptroller General, and that it would make for better reporting to the Congress, if, instead of the T. V. A. depositing its money, amounting to many millions of dollars in private banks, it should have a special fund in the Treasury, put the money into such special fund, and use the Treasury of the United States as its bank instead of using many

different private banks. That was the reason for its practice, and I invite attention to the fact that in this very language on page 52, line 23, we find the words "subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933 as amended." Those words were incorporated in the provision for the express purpose of retaining in the Tennessee Valley Authority Board the power given by section 26 to use the receipts for the purposes enumerated in section 26. So, when the money went into this special fund in the Treasury, the Board would not lose control of it, as it would lose control unless this particular language were in the bill. However, at all times, under section 26 originally, and as amended, under the language which has been carried in appropriation bills for the past 6 or 7 or 8 years, under all these provisions, the T. V. A. Board has had the power to check on these funds, to use them for the current expenses enumerated in section 26, in order to carry on its power operations and fertilizer manufacturing operations.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. The Senator mentioned the Tennessee Valley Authority being audited by the General Accounting Office. Am I correct in understanding that there was some question raised as to whether auditing by the General Accounting Office was required by law, and that an agreement was reached between the T. V. A. and the General Accounting Office looking toward the auditing of the Authority by the Comptroller General?

Mr. HILL. The Senator is correct.

Mr. AIKEN. There is still some question whether such auditing is required by law, is there not?

Mr. HILL. There was no question about it being required by law. Questions rose in the early days because, as we must recall, the T. V. A. project was a vast, new undertaking in our Government. We had never before had a great corporation such as the T. V. A. Some question arose in the early days about certain powers of the Comptroller General, but I say to the Senator that those questions have long been resolved, and there is no conflict at the present time whatever between the Comptroller General and the T. V. A.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. On the contrary, does not this bill provide for an appropriation of \$30,000, or an allotment of \$30,000, with which to pay for the auditing by probably a Montgomery auditing firm? It is a firm located in that neighborhood.

Mr. HILL. To which city of Montgomery does the Senator refer?

Mr. McKELLAR. I am referring to Montgomery, Ala.

Mr. HILL. No; the Senator is entirely in error. It was not any firm in Alabama.

Mr. McKELLAR. It was a firm located somewhere.

Mr. HILL. The T. V. A. has ordered that an audit be made by the Comptroller

General, but it has also had a separate audit made by commercial auditors. I do not know that I wish to go into all the details at this particular juncture in my remarks. The kind of audit the T. V. A. receives at the hands of the Comptroller General is different from that made by a commercial auditing concern. A commercial auditing concern goes into questions of depreciation, amortization, and all the many other questions which affect private corporations, matters with which the Comptroller General does not attempt to deal. The Comptroller General primarily goes into the question of whether or not the money was expended as the law provided it should be expended, and whether there has been an honest expenditure of the money. An audit made by a commercial auditing concern is a different kind of audit. The truth is that an audit made by a commercial concern is similar to calling in financial engineers, shall we say, for advice, to make sure that depreciation is properly being taken care of, that amortization is being properly taken care of, and to look into various matters of that kind.

In this connection I may say that the chairman of the Committee on Governmental Accounting of the American Institute of Accountants, and the executive secretary of the American Institute of Accountants, came to see me. They had no personal interest, for neither one of those gentlemen had ever been employed to audit the T. V. A.; neither one of them had ever made a dollar out of the T. V. A. However, they thought it was important that the Members of Congress realize there was a vast difference between the audit the Comptroller General makes of the average governmental agency and the business audit made by a private auditing concern. The truth is that a private concern goes over the whole system and provides a financial chart and compass by which to check on the many details and questions which must enter into sound and business-like operations of a great system such as the T. V. A.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. It is true, however, is it not, that an organization which is Government sponsored, known as the Tennessee Valley Cooperative Association, or some such name, is not audited by the General Accounting Office.

Mr. HILL. What is the name of the organization?

Mr. AIKEN. There is an organization known as the Tennessee Valley Cooperative Association. It is listed as a Government agency. I do not know what it is.

Mr. HILL. There may be some organization by that name in that section, but I may say to the Senator that any association or organization down there which is spending any Government money is certainly audited by the Comptroller General. There may be some kind of private R. E. A. outfit or some other association of farmers or even people in cities or towns that use the name Tennessee Valley Cooperative Association, but they are not in any way ex-

pending any Government money. They may be purchasers of the power. We have cooperative associations that purchase T. V. A. power, but they are not in any way expending Government funds and they are not under the control of the T. V. A. They constitute purchasers from the T. V. A.

Mr. BARKLEY. I understand this Tennessee Valley Cooperative Association is an organization of consumers of power furnished by the T. V. A.

Mr. HILL. Yes; and they would not be spending any Government money and they would not be under the control of the T. V. A.

Mr. BARKLEY. That is as I understand it.

Mr. HILL. Their only connection with the T. V. A. would be that they would buy power from the T. V. A., just as there are a number of rural electric cooperatives among the farmers in Tennessee and Alabama who buy power from the T. V. A., but those cooperatives constitute separate organizations entirely from the T. V. A. and are not under the control in any way of the T. V. A.

Mr. President, at this point in my remarks I think I shall ask to have placed in the Record the statement submitted by Mr. George P. Ellis, chairman of the Committee on Governmental Accounting of the American Institute of Accountants. If any of the Senators interested in this subject would like to know about the independent audit, I shall be glad to read the whole statement; otherwise, I shall put it in the Record, and proceed with my remarks.

I may say, however, that if the Senate had heard the statements of these gentlemen about what an independent audit would do for T. V. A. and what it would mean to T. V. A. from the standpoint of sound financing and efficient and businesslike operations the Senate would want the independent audit made; I think there can be no question about that.

I notice that my distinguished friend, the Senator from Georgia, seems to be in agreement. I hope he is in agreement with me that it is a thing that ought to be done, and is done by every good businessman.

Mr. RUSSELL. I will say to the Senator from Alabama that I think it is tremendously important that such an audit should be made, because it would reach many funds in this operation that would not be touched at all by the Comptroller General.

Mr. HILL. Exactly. As the Senator from Georgia says, there is no doubt that an independent audit ought to be made.

Mr. President, I do not want to be critical of my friend from Tennessee or the committee which adopted his amendment, but here is a perfect illustration of what is encountered when a committee in Washington undertakes to operate the T. V. A. I know how it is with committees of which I am a member. They are under great pressure of time and under great stress and strain. The committee did not go into this; perhaps it did not have time to go into it, and on the face of it it looked as if it were a wasteful expenditure in that there would

be two audits. The question might be asked why it is not sufficient to have one audit, an audit by the Comptroller General, who is paid by the Government and has employees who are paid by the Government. Naturally, in the minds of many Senators the question arises, Why should we spend \$30,000 for another audit? The reason is that the audit made by commercial auditors becomes an entirely different kind of audit from the audit made by the Comptroller General, and is a very necessary audit for the operation of any business of the size and magnitude of the T. V. A.

I ask, Mr. President, that this statement in full be placed in the Record at this point.

The PRESIDING OFFICER (Mr. McFarland in the chair). Without objection, it is so ordered.

The statement is as follows:

STATEMENT BY COMMITTEE ON GOVERNMENTAL ACCOUNTING, AMERICAN INSTITUTE OF ACCOUNTANTS ON ELIMINATION OF APPROPRIATION FOR INDEPENDENT AUDIT OF T. V. A. FROM INDEPENDENT OFFICES APPROPRIATION BILL FOR 1945.

We believe the appropriation for independent audit of the Tennessee Valley Authority should be restored for the following reasons:

1. (a) The audit conducted by the General Accounting Office does not accomplish the same purposes as the audit conducted by independent certified public accountants. The word "audit" is used in different senses. The type of audit conducted by the General Accounting Office is primarily designed to determine whether expenditures are legal and within the authorized appropriations. The type of audit conducted by independent certified public accountants is entirely different. It is designed to determine whether the balance sheet and income statement fairly present the financial position and results of operations of the corporation.

(b) Independent audit involves an extensive examination based on tests and samples of the accounts underlying the financial statements and a review of the internal control of the corporation to ascertain whether (1) the accounts are reliable, and (2) they fairly reflect the transactions.

(c) This type of examination conducted by independent certified public accountants requires a consideration of whether the accounting methods employed by the corporation are in conformity with generally accepted accounting principles, and whether or not they have been consistently applied from year to year.

(d) The form of independent accountants' report (or certificate) appended to financial statements of the Tennessee Valley Authority is the conventional form customarily found in conjunction with financial statements of large industrial enterprises. The wording of this report or certificate has taken on special meaning because of its relation to pronouncements of the American Institute of Accountants, the Securities and Exchange Commission, the New York Stock Exchange, and the courts. The independent certified public accountant who signs this form of auditors' report or certificate assumes the responsibility of demonstrating, if necessary, that he satisfied himself as to the fairness of the items in the financial statements by means of an examination made in accordance with generally accepted auditing standards applicable in the circumstances. These standards are well known in the accounting profession and the financial world, and are outlined in some detail in bulletins of the American Institute of Accountants, notably Examination of Financial Statements by Independent Public Accountants

and Extensions of Auditing Procedures, as well as others of the series of bulletins, now numbering 18, known as Statements on Auditing Procedure.

2. (a) The Tennessee Valley Authority, while a Government corporation, engages in activities similar to those of privately owned enterprises. Its management is entitled to the assistance derived through an independent audit by professional certified public accountants just as it is entitled to legal counsel of the type available to privately owned industrial enterprises of the same nature.

(b) A comparison between the results of operations of the T. V. A. and privately owned enterprises of the same type would be more difficult if financial statements of T. V. A. were not audited in the manner customary among privately owned enterprises. The absence of the independent auditors' report or certificate would leave question as to whether generally accepted accounting principles had been followed in the presentation of the financial statements, and as to whether the underlying accounts and records had been tested and internal control reviewed in accordance with generally accepted auditing standards. It is believed that the type of audit conducted by the General Accounting Office does not lead to conclusions on these questions but rather on the legality and propriety of expenditures.

3. The standards and methods of governmental corporations ought not to be inferior to those of privately owned enterprises. It is significant that the Securities and Exchange Commission and the New York Stock Exchange require audits of corporations subject to their jurisdiction similar to the type of audit of the T. V. A. conducted by independent certified public accountants. Both the S. E. C. and the New York Stock Exchange accept the conventional short form of independent accountants' report or certificate which has also been utilized by the independent accountants who have audited T. V. A.

Respectfully submitted.

GEORGE P. ELLIS,

Chairman, Committee on Governmental Accounting, American Institute of Accountants.

Mr. HILL. Mr. President, the people of the State of Andrew Jackson, like the people of Alabama, have never looked with favor upon absentee control. They have been wonderfully well satisfied with the system Congress provided for the management of T. V. A. in 1933. They want major policies to be determined by the Congress. They want Congress to decide whether rivers should be developed and the general policy for their development. But the people want the day-to-day decisions through which management carries out those policies to be made close to them, responsive to their needs. If these amendments should become law, they will bring an end to the only real accomplishment in decentralization to which we can point.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. HILL. I yield to the Senator from Arkansas.

Mr. McCLELLAN. For information, let me ask can expenditures be made in the further development of a river, such as the construction of new dams, without the dams having first been authorized by the Congress?

Mr. HILL. No; I should say that the dams have to be specifically authorized by the Congress.

Mr. McCLELLAN. In other words, the funds collected in the form of receipts by

the T. V. A. from its operations, once deposited in this fund in the Treasury, cannot then be withdrawn and used for the construction of new developments, such as dams on streams, until and unless such dams have been specifically authorized by the Congress?

Mr. HILL. I should say so. The Authority might use certain receipts to repair a dam or to do some small work of rehabilitation or restoration around a dam or something of that kind, or they might install additional transformers, but, so far as building a great dam on the river is concerned, I should say that T. V. A. would have to come to Congress and the dam would have to be specifically authorized.

Mr. McCLELLAN. There is nothing in this proposed act by which T. V. A. would have to come to Congress.

Mr. HILL. There is nothing in the proposed act that would change the situation with reference to a dam. I have no complaint about the Authority having to come to Congress to construct dams. I think they ought to come to Congress if they are going to build a great dam, but I think they ought to be allowed to operate the power business on a businesslike, efficient basis, and in order to do that they must have a certain flexibility and leeway with reference to their receipts.

When the Senator from Arkansas pays his electric bill to the Potomac Electric Power Co., of Washington, he not only pays an obligation for electricity he has received, but he pays it on the basis that he will know that he is going to continue to obtain electricity; that if a storm comes or a tornado comes, or even if Washington should be bombed, the private power company will fix its lines and make such repairs as will enable him to continue to obtain electricity, without the company being compelled to come to Congress and get an appropriation.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. McCLELLAN. If the power is granted to operate such installations and facilities as the Authority may have already constructed, and the Congress makes appropriations for their continuous maintenance and repair, I do not see that there is any particular argument that a fund should be set aside with which the Authority can do just as it pleases, when an appropriation can be made to meet contingencies.

Mr. HILL. The T. V. A. cannot do as it pleases with the fund. It is limited to the power granted in section 26 as amended. I will say, however, that when the appropriations are arrived at no man can foresee what the months are going to bring. I shall refer to that a little further on if I may go ahead, not that I do not want to answer the Senator's questions, for I shall be glad to do so. However, let us see what happens. The T. V. A. will go to the Budget Bureau along in August or September and submit an estimate. The money appropriated according to the estimate will not be available until the following July, and it will have to last through the whole fiscal

year. So they submit their estimates more than 18 months in advance for their appropriations, and no man can foresee that far ahead.

Mr. McCLELLAN. Mr. President—

Mr. HILL. I do not want to cut off the Senator from Arkansas, but I intend to speak upon that later.

Mr. McCLELLAN. I merely want to make one further observation. If a contingent fund is needed for emergencies and for operation expenses, the point I make is, Do they need all the revenues they take in and hold in such a fund, which they can use at will? Would it not be better governmental procedure to make a special appropriation to meet such contingencies from time to time?

Mr. HILL. It is my very definite opinion that they should be allowed to use their receipts, rather than be dependent upon action by the Congress. I do not mind saying to the Senator from Arkansas that my colleague, the senior Senator from Alabama, and I have had this matter of appropriations brought very close home to us. The Tennessee Valley Authority, on the recommendation and approval of the War Production Board, came to the Congress to ask for money with which to provide a phosphate plant, to be built for war purposes primarily, and secondarily for the production of fertilizer. The Tennessee Valley Authority selected Mobile, Ala., as the site for this plant, because of its proximity to the Florida phosphate rock. Due to the long delay in the Congress in getting the appropriation through, that plant never has been built, and may never be built. It was delayed for so many months here in the Senate of the United States that the War Production Board made other plans, and had to use other facilities, and I am not sure that the plant will ever be built.

Mr. McCLELLAN. May I make one observation on that?

Mr. HILL. I yield.

Mr. McCLELLAN. It may have been the wise thing to construct that plant, but we do not want to turn over such normal and proper functions of the Government and of the Congress to some independent agency, and take the position that the Congress cannot function with respect to the enterprise of building a new plant or not building it. That would not be sound policy.

Mr. HILL. I may say to the Senator, as I stated earlier in my remarks, that so far as the policies are concerned, of course Congress should fix the policies.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. I should like to ask the Senator from Alabama if it is not true that when the T. V. A. has come to the Congress for an appropriation for new construction, as it did 3 years ago, there has been deducted from the amount which is required for the new construction the amount which it has on hand which is available and which it could take from its pockets?

Mr. HILL. The Senator is correct.

Mr. AIKEN. It contributed about \$15,000,000 toward permanent new con-

struction from the profits which it had made, did it not?

Mr. HILL. That is true. The Senator is exactly correct.

Mr. AIKEN. To that extent its operating income can be used for construction purposes, but with the consent of the Congress?

Mr. HILL. That is correct. The Senator is exactly right.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. McKELLAR. I wish to make a statement, then to ask a question.

The T. V. A., without consulting Congress, or without asking permission of the Congress, spent between seven and eight hundred thousand dollars, as I recall, in purchasing a phosphate farm in Williamson County, Tenn., for the purpose of manufacturing phosphate. A short time later they bought another phosphate farm costing a little less—upward of \$500,000 in Maury County.

The Senator now says that the purpose of the T. V. A. is to go to Mobile and build a plant there for the purpose of producing phosphate from Florida rock. I ask the Senator, is it not remarkable that the T. V. A. is buying phosphate lands in Tennessee, and is going to build a phosphate plant in southern Alabama for the purpose of manufacturing phosphate from Florida rock? Buying those lands merely shows the utter disregard the present Tennessee Valley Authority has for the Congress.

Mr. HILL. No. Did the Senator in his committee go into the question of the purchase of the lands in Tennessee?

Mr. McKELLAR. No.

Mr. HILL. That is the point, exactly. The committee did not go into that question. The Senator raises it here on the floor. He had every opportunity in the world to go into it.

Mr. McKELLAR. There is a statement in the record about the Tennessee lands and the Mobile plant.

Mr. HILL. It was referred to without any real exploration into the matter as to when these lands were bought, why they were bought, whether or not they were bought at the instigation of the War Production Board, or why they should have been bought at all. I do not hesitate to say that if the purchase of these lands were investigated, and all the facts were brought to light, the overwhelming chances are that the Senate would say that those lands should have been bought.

Mr. BANKHEAD. Mr. President—

Mr. HILL. I yield to my colleague.

Mr. BANKHEAD. In explanation of the statement of the Senator from Tennessee that the T. V. A. acquired phosphate lands arbitrarily, and without authority of Congress, as I understood him to say, I call attention to the fact that application for this action was made to the Committee on Appropriations, and there was included in the bill before the Committee on Appropriations 2 or 3 years ago—I presented the request myself—authorization for the construction of the phosphate plant which has been referred to, and that has been carried

continually in the appropriation bills since, because the Authority was unable to carry out the original provision because of priority orders, and the matter is still in that situation. The authority is contained in the bill now before the Senate.

Mr. HILL. Certainly; there is provision in the bill now for that.

Mr. BANKHEAD. So that there is no occasion for criticism about the phosphate plant being decided on without authority of Congress, or arbitrarily by the Authority.

Mr. TUNNELL. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. TUNNELL. I do not know the operation of the Tennessee Valley Authority, and should like to ask a question for information. As I understand, the Government has entered into an immense business. I take it that there must be thousands of operations yearly in the transaction of this business.

Mr. HILL. That is correct.

Mr. TUNNELL. Under the method by which the business has been conducted, the receipts are used in the operation of the business. Does the Senator think it would be possible to have a separate appropriation for each transaction incident to that business?

Mr. HILL. I do not.

Mr. TUNNELL. So that in the actual operation of the company there must be reliance upon somebody's judgment, some executive's judgment.

Mr. HILL. The Senator is exactly correct.

Mr. TUNNELL. As I understand, it is now a question of whether the amounts of money referred to should be appropriated in advance and then used, or whether they should be taken in by the Authority in the transaction of its business and used by the executive. I wish to ask the Senator whether in each case the actual expenditure would not be left to the judgment of the same individuals.

Mr. HILL. It should be left to the managers of the T. V. A.

Mr. TUNNELL. And it would be, would it not?

Mr. HILL. I do not know whether it would be or not. If there were a Congress which was not in sympathy with the T. V. A., it might not be left to them.

Mr. TUNNELL. It never would be spent, under the plan suggested by the Senator from Tennessee?

Mr. HILL. The Senator is exactly correct.

Mr. TUNNELL. Let me ask a further question. Are repairs made from the money which is obtained from the operation of the business?

Mr. HILL. They are.

Mr. TUNNELL. According to the plan of the Senator from Tennessee, would there have to be an appropriation for the repairs?

Mr. HILL. There would have to be.

Mr. TUNNELL. If there were no appropriation to fit a particular repair, it would have to wait until Congress met, perhaps?

Mr. HILL. The Senator is exactly correct, and I thank him.

Mr. McKELLAR. If we did not make appropriations for the Army of the United States, the Army could not function, could it?

Mr. TUNNELL. If I may answer that suggestion, I should say that I do not think the purpose of the Army of the United States is to manufacture and sell an article.

Mr. McKELLAR. No; but they do much of that very thing.

Mr. TUNNELL. No; they sell only what is left over. That is not their business. Their business is destruction, rather than manufacture.

Mr. AIKEN. Will the junior Senator from Alabama yield to me?

Mr. HILL. I yield.

Mr. AIKEN. The income of the Army of the United States is not greater than the expenses, as is the case with the T. V. A.

Mr. HILL. I thank both Senators.

Mr. McCLELLAN. May I further interrupt?

Mr. HILL. I yield.

Mr. McCLELLAN. The Senator from Delaware suggests that this enterprise would not be able to function if it had to come to Congress for appropriations as all other governmental agencies do. Do we not make appropriations now for the Army and the Navy to operate our locks and dams and flood-control installations on the different streams? We do not make appropriations for each little item of repair or for each little dredging operation on this or that particular curve in the river. It is more or less done where such operations are carried on under the specific appropriations of Congress.

Mr. HILL. That is true. As the Senator knows there has been a great variance in the past. Sometimes Congress has made very liberal appropriations for such items and at other times it has made more meager appropriations for them. There has been a very great variance. I myself have seen great dredges tied up, not doing anything, when a job was needed to be done. "Why are these dredges tied up? Why is this job not being done?" "We have no money with which to do it."

Mr. McCLELLAN. That poses this question: Are we taking the position now that in these matters the Congress cannot function efficiently, or that we are going to yield to the more expedient way of doing it and delegate more of our powers, and not retain the responsibility in the Congress?

Mr. HILL. No, not at all. As I said in the beginning, the Congress ought to lay down the general policies, but so far as operating or managing a power system is concerned, the Congress cannot do it and ought not to try to do it; it was not created or established to do it.

Mr. McCLELLAN. I understood the Senator awhile ago in his illustration to indicate that he felt that some things are being done which can be done now under the present flexibility of operations and authority granted, whereas if it were left to Congress there might be an unfriendly Congress, and therefore the work might never be done. The point I am making is, that an unfriendly Congress might be the Congress which

represented the will and sentiment of the people at that time.

Mr. HILL. Of course, that is so.

Mr. McCLELLAN. And to keep government what it ought to be, final decision as to whether the work should be done or not done should rest with the Congress and not some board or commission.

Mr. HILL. I agree with the Senator exactly that the fundamental question as to whether or not this power system ought to be operated or ought not to be operated should be determined by the Congress. Of course, the Senator knows that the Congress today, if it wanted so to do, could repeal the Tennessee Valley Authority Act and could offer its properties to the highest and best bidder. It could make any disposition it saw fit of these properties. It has that power. But I say that, so long as Congress has this agency operating as a power system, with thousands of consumers, and hundreds of industries, and great cities dependent upon the power it furnishes, the Congress ought to set the broad policies and permit the day by day management and operation of the system to be conducted by the technicians on the job at the power system.

Mr. McCLELLAN. I wish to say to the Senator that I agree exactly with what he has said. I do not want to see the T. V. A. crippled. I do not want to see the law repealed. I do not want to see the operations hampered. That is not what I have in mind. But at the same time, I do not want to agree with the implication of the Senator that we should simply turn over the control and operation without taking the responsibility for what is being done.

Mr. HILL. The Senator is exactly correct. We have the prime responsibility and we should determine the policies and see that the policies are carried out. But the detailed operation should be in the hands of the managers on the job with the power systems.

Mr. BONE. Mr. President—

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Alabama yield to the Senator from Washington?

Mr. HILL. I yield.

Mr. BONE. I take it from the argument of my able friend, the Senator from Alabama, that his view is that in a major operation such as the building of a great dam for power purposes or flood control the Congress in such an instance should determine the policy, but for the mechanics of operation, the physical process of turning the turbines and generators and selling power, and putting out power lines, that function should be the function which we have created by the act. Am I correct?

Mr. HILL. The Senator has stated the matter much better and much more definitely than I could have stated it.

Mr. BONE. I should like to make one comment at this moment which I am sure touches a matter that all lawyers who have been in active practice in the utility field will readily recognize. The courts of my State, and I think the courts of most of the other States where this ques-

tion has been at issue, have held that where a public body, such as a city or a State, or a county, goes into the power business, it is performing thereby not a government function as it is commonly understood, but it is performing the function of a private proprietor. Therefore, we are forced, if we are realistic, to consider the necessity of giving this instrumentality we have set up some of the necessary flexibility of a private corporation if we expect it to perform a useful function and do it efficiently.

I can understand the difficulties we all face in a legislative body in deciding some of these problems, such as the Senator from Arkansas [Mr. McCLELLAN] has referred to. He wants Congress to keep a finger in the pie, so to speak, and have control. On the other hand, we are turning wheels in the Tennessee Valley and producing a commodity. We might as well be producing sugar or cement or something else. We all want to have this project operated as efficiently as possible. Therefore the T. V. A., as well as the Bonneville project in my section of the country, in addition to whatever check the General Accounting Office has on them, called in private accountants and had them make a commercial audit, which goes, as the Senator from Alabama suggested, much deeper and over a wider field than a strict audit by the Comptroller General, which deals only with the legality of expenditures. The commercial audit dips its fingers into crevices and crannies which are not touched by a strict audit of the Comptroller General. Therefore, anyone curious about the functioning of the Corporation would find in the pages of the commercial audit much more meat, much more factual material than he would find in the cold audit of the Comptroller General.

I myself think it is an excellent idea to have both types of audits. The Comptroller General by his audit would say whether the money involved was spent lawfully. The private audit would establish whether value was received for the money expended.

Mr. President, when we had before us the matter of establishing the Northwest Power Authority, I attempted to insert in the law provision for a commercial audit, because I think it is a splendid idea to place the results of such a commercial audit in the hands of Members of the Senate and the House. Anyone in Congress who is familiar with the A B C's of a commercial audit could find out from it exactly what was going on. It is a much more revealing sort of record than that which we obtain from the Comptroller General.

I think the T. V. A. has done Congress a service in providing a commercial audit. I think it is an excellent idea, and I think we should not repeal the provision for such an audit. The expenditure of \$30,000 for the purpose is as nothing compared with one's ability to place his finger on some leak which might cost 20 times as much.

Mr. McCLELLAN. Mr. President, I wish to make one observation based on the statement made by the Senator from Washington. The audit of the General Accounting Office, the Comptroller Gen-

eral, determines the legality of the expenditures and reveals whether the money has been spent within the authority delegated by the Congress. The private audit may reveal the wisdom of such expenditures.

Mr. BONE. That is correct.

Mr. McCLELLAN. So I think that together they serve the whole purpose.

Mr. BONE. I think it is an excellent idea to have both audits.

Mr. HILL. Yet under the committee amendment the T. V. A. could not have the private audit.

Mr. BONE. I think that is correct. I think they complement one another. They rather give us a chance to check the commercial audit against the Comptroller General's audit, and vice versa; and if some error shows up, we can easily catch it.

Commercial audits are liable to take up items such as obsolescence, depreciation, and many other elements which would not be touched by the Comptroller General, as I understand his activities. I may not be too well informed about the matter; but so far as I know, the Comptroller General does not touch many angles which are vital to the success and welfare of any organization or corporation. As I understand the operations of organizations such as Bonneville and Coulee, I should want to know what their transactions were. If I were sitting in the saddle of authority over them, I should want to know what they were doing, the physical condition they were in, and all the other matters which a commercial audit probably would reveal to a large extent.

Mr. HILL. Yes; but, Mr. President, as I have said, under the pending amendments the Tennessee Valley Authority is denied the right to have such a commercial audit made.

Mr. BONE. Yes; I understand that.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. I wish to preface what I shall say by a word about the policy of which the Senator has spoken. The Senator has said that the Congress should confine its activities to policy making. The Congress has invested—and did so quite largely at my request—between \$750,000,000 and \$1,000,000,000 in the Tennessee power plants. The Congress has furnished all the money. Is it not a policy of the Congress to say whether the receipts of that concern shall be turned into the Treasury of the United States, as was provided in the original law, in part, at least? Is not that a policy, namely, to say whether the receipts shall be turned into the Treasury, so that the Congress can at all times fix the policy?

Mr. President, if that is not done, we shall have no authority at all over the Tennessee Valley Authority; we shall have no means of determining what it is doing.

We have spent this money. It is our duty to safeguard it. I am in favor of giving the Tennessee Valley Authority every dollar it needs. But to build up reserve funds, to allow the Tennessee Valley Authority to use its receipts, con-

stituting enormous sums of money, without coming to Congress and telling Congress what it wishes to use them for, without a word about their expenditure—

Mr. HILL. Mr. President, I should like to yield to my friend, of course—

Mr. McKELLAR. Does the Senator believe we should have such a policy?

Mr. HILL. Of course, I do not; and I wish to say that for all the years since 1933, when we established the Tennessee Valley Authority—and this is the year 1944—the T. V. A. has been coming to the House Committee on Appropriations and to the Senate Committee on Appropriations, and has been giving those committees full and complete information respecting all its operations and the details of its operations. We have had our hands and our check and our control on the Tennessee Valley Authority during the past 11 years. The check has been a good one. The control has been a good one. No Member of the Senate will rise on this floor to say that under that system the Congress has not performed its duty or that the Tennessee Valley Authority has not done a good job. Why change the system now?

The Senator from Tennessee [Mr. McKELLAR] has sat all these years as a member of the Senate Committee on Appropriations. Year after year when the present system has been in operation he has sat on that committee. He raised no question about the present system until 2 years ago, when he made a motion to strike out the House provision, and to provide that the money should go into the Treasury; but before that he had gone right along as one of the best friends of the Tennessee Valley Authority.

Mr. McKELLAR. Mr. President, the Senator certainly would not want me to remain silent after a statement of that kind. Two years ago—

Mr. HILL. I said until 2 years ago.

Mr. McKELLAR. Until 2 years ago, the T. V. A. was not receiving money. The dams were put in operation only approximately 2 or 3 years ago. As soon as they began to make money, the Tennessee Valley Authority wanted the Congress to take its hands off. But before that, when the T. V. A. had to come to Congress for its money, the story was a very different one.

Mr. HILL. No, Mr. President. The receipts in the earlier years were not large, but the T. V. A. has been taking in money each and every year from the minute it took over the power projects in Tennessee. The T. V. A. began to receive money at once. Of course, the receipts have grown during the years, but the T. V. A. has had substantial receipts during all the years of its existence.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. WHERRY. I did not quite understand the answer the Senator gave to the question of the distinguished Senator from Delaware [Mr. TUNNELL] about the use of this money by the Executive or by the independent office, from the reserves set up. The Senator's answer was, I believe, that an unfriendly Congress might

not appropriate the money for the purpose for which the independent agency might wish to use it—money which otherwise would go into a reserve fund. Am I correct about that?

Mr. HILL. There might be much delay and much thwarting on the part of Congress.

Mr. WHERRY. But the Senator is not advocating that an independent agency set up reserves, is he?

Mr. HILL. Of course not. Under the present law the Congress, through the appropriations committees, has the whole picture before it. For the last 11 years the Congress, through the appropriations committees, has had the full and complete picture of the expenditures made under the Tennessee Valley Authority. I have before me the Bureau of the Budget estimates for the year 1945. They give the full and complete story of the expenditures and of what is proposed for the next fiscal year, beginning July 1.

Mr. WHERRY. The Senator is not asking that an extension of power be given to this independent agency, in order to enable it to set up reserves which it might spend, but which it could not otherwise receive if it came to an unfriendly Congress and requested the appropriation; is he?

Mr. HILL. Not at all. I am asking that the T. V. A. be permitted to operate in the future just as it has been permitted to operate in the past.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. HILL. I yield.

Mr. McKELLAR. I wish to say that, insofar as reserves are concerned, the bill as passed by the House contains a provision for a little more than \$10,000,000 of reserves. Under that provision, the T. V. A. will receive in receipts and in unexpended balances \$10,000,000 more than it expects to expend during the coming year. It is requesting that, in addition to the money which is required for its own operations, the Congress set up a reserve of \$10,000,000, or a little more, for it to use as it likes.

Mr. HILL. Mr. President, I do not agree at all with the Senator on that proposition.

Mr. McKELLAR. If the Senator will look at the bill, he will see that the provision is as I have said.

Mr. HILL. The T. V. A. does not request \$10,000,000 for it to use as it likes. The T. V. A. wishes to have the reserve available in the event it constructs a phosphate plant or in the event it carries forward the construction of the Watauga and the Holston Dams.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. I still am not clear about what the Senator meant when he answered the Senator from Delaware. What did the Senator from Alabama mean when he said that an unfriendly Congress might not appropriate the money which the executive or the agency might require in order to carry on the operations of the T. V. A.?

Mr. HILL. There might be a storm, a tornado, or a flood.

Mr. WHERRY. Could not the T. V. A. now repair such damage?

Mr. HILL. Certainly.

Mr. WHERRY. That does not answer my question. What does the Senator mean by saying that an unfriendly Congress might not grant an appropriation?

Mr. HILL. I am not trying to change the system. What I am fighting for is to let the system remain as it is, that is, with authority in this board to make repairs and do such other things as may be necessary for the maintenance and operation of the power system.

Mr. WHERRY. Does the Senator mean that, if the amendment of the committee were adopted, the T. V. A. would have to come to Congress and ask for appropriations to repair lines?

Mr. HILL. The T. V. A. might have to come to Congress and ask for an appropriation to put one additional transformer on a power line.

Mr. WHERRY. The authority which the Senator is asking for is authority to use the funds of the T. V. A. in the manner described if an unfriendly Congress should not grant an appropriation. There would be a reserve to take care of it.

Mr. HILL. No. The Senator speaks of an unfriendly Congress—

Mr. WHERRY. The Senator brought that up.

Mr. HILL. There might be a friendly Congress which was busy with many other things. It takes time to get appropriation bills through Congress.

Mr. WHERRY. The Senator made the remark about an unfriendly Congress. I am trying to find out what limitation would be imposed on the T. V. A. by an unfriendly Congress which might make it desirable to establish reserves.

Mr. HILL. Today the T. V. A. can use its receipts for the operation of its power business. If it had to come to Congress to get all its money, and could not use its receipts, if there were an unfriendly Congress it might delay and hamper the T. V. A. It might dally with the requests for appropriations. I say that the power consumers of the Tennessee Valley have the right to have constant delivery of power, just as they would have the right to have constant delivery of power from a private company.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. CLARK of Missouri. I should like to ask the Senator if he does not think there is a middle ground between the two extremes. One extreme is to allow the T. V. A. Directors—namely, Mr. Lilienthal and company—to treat these funds as their own private funds, and to do with them as they please, possibly even to the extent of opposing the senior Senator from Tennessee or the junior Senator from Tennessee in a campaign for reelection. There is quite a difference between allowing them to treat those funds entirely as their own private funds, to do with as they please, and establishing a reasonable discretion for them to use the funds for repairs, as the Senator has described, to keep the T. V. A. in

operation as a going concern. It seems to me that there is a tremendous difference between the two extremes which have been presented to the Senate.

Mr. HILL. The Senator is entirely correct.

Mr. CLARK of Missouri. No one wishes to hamstring the Tennessee Valley Authority as a going operation.

Mr. HILL. The Senator is entirely correct in what he says. There is a vast difference between the two extremes. Certainly, the Tennessee Valley Authority has no right, and no employee of the Authority or any member of its Board has the right, to use any of its funds for the purposes indicated by the Senator from Missouri.

At the beginning of my remarks, when the Senator was absent from the Chamber, I called attention to the only purpose for which the Tennessee Valley Authority can use its receipts, as set out in section 26, in these words: "In conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients."

That is the power which we fight to preserve in the Tennessee Valley Authority Board. We are not asking for any additional power, but we do think that the Authority ought to have the power now granted in the basic law.

Mr. CLARK of Missouri. Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. CLARK of Missouri. So far as I am concerned, I have no complaint as to the business operations of the Tennessee Valley Authority. From what I know about it, I think it has done a splendid job. However, I do object very much to the political activities of the Tennessee Valley Authority. The junior Senator from Tennessee [Mr. STEWART] has told me that Mr. Lilienthal, who is on a salary in the Tennessee Valley Authority, went into Tennessee, where, of course, he is a carpetbagger, and has no status as a citizen of Tennessee, as a Government employee—at least, I assume that an employee of the T. V. A. is a Government employee, despite the fact that the T. V. A. is able to control its own funds—to make speeches against the junior Senator from Tennessee. Whatever Mr. Lilienthal might say as a carpetbagger temporarily sojourning in Tennessee would have no influence; but when Mr. Lilienthal, the head of the T. V. A., makes speeches which might be calculated to coerce such of the army of employees of the T. V. A. as are qualified voters in Tennessee, to my mind that presents a very serious question. It is to that question that I am addressing myself.

So far as I am concerned, for some of these amendments I would not be inclined to vote; but if Mr. Lilienthal has been using the prestige and power of his position as head of the T. V. A. to coerce his army of employees and engage in Tennessee politics, then I will vote for any restrictive amendment on the T. V. A. which may be suggested. Otherwise, so far as the business administra-

tion of the T. V. A. is concerned, I have no complaint to offer.

Mr. BONE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BONE. I should like to say to my able friend from Missouri that I am constrained to agree with him. Abuses such as he has described might grow up; but I do not wish to be compelled to accept a great number of amendments which are unpalatable merely in order to achieve one objective which may be desirable. There is no distinction. The amendments are lumped together and we are asked to vote on the whole group of them, and, nolens volens, we shall vote on them. I do not wish to have to take 40 kinds of medicine in order to take 1 particular brand.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. Let me say to the Senator that he will have ample opportunity to vote on each and every amendment separately. I think they ought to be voted on separately.

Mr. HILL. If I may have the attention of the distinguished senior Senator from Missouri [Mr. CLARK], I will say to him that I do not condone any such political activity as he has described.

Mr. CLARK of Missouri. My information on the subject comes entirely from the two Senators from Tennessee.

Mr. HILL. I wish to be perfectly candid with the Senate—

Mr. STEWART. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. STEWART. Inasmuch as my name has been mentioned by the Senator from Missouri in connection with the political activities of Mr. Lilienthal, let me say that it will be recalled by the Senator from Missouri, and possibly by other Senators, that more than a year ago, when a colloquy occurred on this floor in which several Senators participated—I do not now recall what evoked the colloquy—I related what had happened in the political campaign of 2 years ago with respect to Mr. Lilienthal, who I believe was then the Chairman of the Tennessee Valley Authority, and is now the Chairman. Quoting from memory, I will repeat what I said on that occasion.

About 3 weeks before the August primary in 1942, in which I was a candidate, Mr. Lilienthal, in a speech which he delivered before the Kiwanis Club of Knoxville, Tenn., stated that "We have defeated them on the Washington front." A T. V. A. amendment had been defeated by the House only a few weeks before that. "Now I warn the people of the valley against the establishment of a second front in Tennessee."

I saw that article on the front page of the Chattanooga Times, as I recall, on the day I spoke in Chattanooga. I stated in my speech that I and others who read the article construed it as a challenge to my candidacy. I stated that I believed that Mr. Lilienthal was subject to the Hatch law, and to other statutes preventing political activities on the part of certain Government employees; that his speech was a political

statement, made to arouse opposition to me; that I accepted his challenge; and that if I misconstrued his statement, the press was still open to him to correct it. I received no reply from him.

That is what occurred, and that is what I previously related on this floor.

I shall make a statement before the debate on the T. V. A. amendments is concluded. I shall support some of the amendments, and some I cannot support. However, I shall certainly support any amendment which would prevent political activity on the part of T. V. A. employees.

Mr. BANKHEAD. Mr. President, will the Senator yield to me?

Mr. HILL. I yield.

Mr. BANKHEAD. This amendment deals with the receipts of the Corporation. From what the Senator has said, I do not infer that what Mr. Lilienthal did on the occasion referred to violated any moral principle, or the rules of the T. V. A. It seems to me that what the Senator has referred to was not related in any way to the disposition of or the proper handling of the funds of the T. V. A.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The Senator has referred to me. Bless his soul, the political activities against my colleague are a mere zephyr compared to what this remarkable employee of the Government has been doing to me for many years. He has been fighting me day and night, in almost every speech he has made throughout the State. My friends have written me for several years concerning his extreme opposition to me. He wants a better Senator from Tennessee. He wants someone to be elected in my place. Perhaps he is right. I admit to being a very poor Senator, but, by heavens, I do not like to have the head of the T. V. A., who was imported from some other State, come to Tennessee and take sides in politics against me. He did that in 1940. He has constantly done so all over the State in speeches he has made. I do not know what my colleague thinks about it, he may think it is all right. He may think it will do him good. However, I do not want it to be done, especially while the Hatch Act is in force. I am sorry the Senator from New Mexico [Mr. HATCH] is not present, because I think this is the only good word I have ever spoken for the Hatch Act. I understand that Mr. Lilienthal is a policy-making official of the Government, and claims not to be under the Hatch Act. He will claim anything on earth which will be of any benefit to him.

Mr. HILL. Mr. President, I should be the last man in the Senate to want Mr. Lilienthal to engage in any kind of politics, or make any kind of an attack on the Senator from Tennessee. The Senator has said that Mr. Lilienthal has been fighting him for many years, and as I understand the Senator, Mr. Lilienthal has been making speeches against him. Am I correct?

Mr. McKELLAR. Yes; he attends meetings of the Rotary Club and of chambers of commerce. His favorite

organizations, I believe, are chambers of commerce, Rotary Clubs, Kiwanis Clubs, and various noonday clubs which exist all over the country. He acts in a way similar to that which was referred to in reference to Mr. A. E. Morgan, his former associate. He eases in and eases out, but condemns me all the time. [Laughter.]

Mr. HILL. Allow me to ask the Senator a question. Can the Senator give us a quotation from some speech which Mr. Lilienthal has made in which he has attacked the Senator from Tennessee?

Mr. McKELLAR. I did not understand the Senator's question.

Mr. HILL. Can the Senator give us a quotation from some speech which Mr. Lilienthal has made concerning the Senator from Tennessee?

Mr. McKELLAR. No; I do not have with me a copy of any speech of Mr. Lilienthal. I shall be very happy to furnish the Senator letters showing various places in my State where Mr. Lilienthal has been. Citizens of my State have written me and told me that he has been in those places fighting me. They have called me on the telephone. I have received telephone calls within the last few days in which I was told about the fight Lilienthal has been making upon me. That may be all right for this great head of the Tennessee Valley Authority. He has not hurt me thus far, and I do not believe he will hurt me in the future. However, it does not make me like him any more. [Laughter.]

Mr. HILL. Of course, Mr. President, Mr. Lilienthal has no right to make any attack on the Senator from Tennessee, or, for that matter, on any other Senator. I myself have never seen any statement from Mr. Lilienthal which in any way brought the Senator from Tennessee into question. I have never seen any statement which anyone purported to believe brought the Senator into question. It is true, Mr. President, that Mr. Lilienthal makes a great many speeches. He comes into Alabama occasionally and makes speeches there. However, if he has ever said anything in Alabama of a political nature, I do not know what it was.

Mr. McKELLAR. I hope he does not make speeches against my friend, the Senator from Alabama.

Mr. HILL. I hope not, and I would condemn him just as strongly for making any kind of a political statement against the Senator from Tennessee as I would condemn him for making any kind of a political statement against myself. But the Senator from Tennessee has said that Mr. Lilienthal has been traveling all over Tennessee fighting him and making speeches against him. In view of the standing of the Senator from Tennessee, the high esteem in which he is held, and the great affection which his colleagues entertain for him, naturally such a statement against the Senator from Tennessee would raise resentment on the part of all Senators against Mr. Lilienthal. Naturally, such a statement would have its effect on the consideration of these amendments. I think that if Mr. Lilienthal has made any such attack on the Senator from Tennessee as the Senator has indicated, or in any way

questioned the Senator's actions, or cast aspersions upon him, the Senator from Tennessee should let the Senate know what it is upon which he bases his statement.

Mr. McKELLAR. I shall be very glad to give what my file shows. I hold in my hand a letter from Dr. A. E. Morgan, who thus describes Mr. Lilienthal:

There is a practice of evasion, intrigue, and sharp strategy, with remarkable skill in alibi and the habit of avoiding direct responsibility, which makes Machiavelli seem open and candid * * * and man for man directness was a mask for hard-boiled, selfish intrigue. * * * The marble claims, in my opinion, were an effort at deliberate barefaced steal. * * * The public and the Congress do not yet know the extent to which that was improperly handled.

The Senator wants to know how I know Mr. Lilienthal is fighting me in Tennessee. Has the Senator any doubt about a candidate in Alabama being against him?

Mr. HILL. No; I have no doubt about it, because every day he is making speeches in which he declares that he is against LISTER HILL. What I want the Senator from Tennessee to do is what I think he ought to do, namely, to submit a bit of evidence of some kind to the Senate upon which he predicates his statement that Mr. Lilienthal is fighting him. Certainly the statement which the Senator from Tennessee has just read has nothing to do with the Senator from Tennessee. It is an attack on Mr. Lilienthal by Dr. Morgan. The Senate, of course, recalls all that controversy, the feud which existed between Dr. Arthur Morgan and David E. Lilienthal. The Senate knows that not only did the President of the United States find in favor of Mr. Lilienthal, but that a special committee of the Senate of the United States, headed by the then Senator from Ohio, Senator Donahey, investigated the matter and found in favor of Mr. Lilienthal. I think that all that Morgan said about Lilienthal had nothing to do with any alleged statements of Mr. Lilienthal concerning the Senator from Tennessee.

I do not think that in a debate on this floor when we are trying to act on these amendments on their merits, that the Senator from Tennessee should make the statement that Mr. Lilienthal has been fighting him through the years, and yet not give us some basis for his statement. The Senator from Tennessee spoke of his campaign in 1940. I remember it well, because at the time I was staying at the Mayflower Hotel where the Senator from Tennessee was also staying, and I rejoiced with him when there was no opposition to his election in 1940. The Senator from Tennessee was renominated without any opposition whatever. I remember the beautiful statement the Senator from Tennessee issued expressing his appreciation to the people of Tennessee because he had no opposition. I remember that the Senator from Tennessee quoted from the beautiful Twenty-third Psalm—"The Lord is my shepherd," and so forth—and drew a parallel showing how good and fine the people of Tennessee had been to him. I rejoiced with the Senator from Tennessee that he had no opposition.

Mr. McKELLAR. I suppose the Senator is referring now to Lilienthal. He is the man who has been operating against me. I do not know that he is from Tennessee; I do not know whether he ever voted in Tennessee; he may claim not to be a Tennessean, and the other day in the committee he claimed that he was not opposing me; but that would be equal to nothing on earth in view of the reputation he has with his colleagues of being elusive and indirect. That is the kind of speeches he makes. I never heard Lilienthal make a speech in my life, but I know, as every other sensible person would know, when a man of that kind, traveling around the State, is undertaking to undermine and discredit me in every possible way. That is what Lilienthal has been doing. I say that when a man who is sent down there from another State to direct the work of an Authority such as the T. V. A. thus conducts himself against the two Senators from that State, it is unworthy of him; his attitude is improper, and this body ought not to uphold him.

Mr. HILL. It seems to me that if Mr. Lilienthal has been for years making a fight on the distinguished Senator from Tennessee, somewhere, some place, in some newspaper or some article or some periodical, there would be some word, some line, or some thought expressed that the Senator from Tennessee could point his finger at as evidence that Mr. Lilienthal was fighting him. To quote what Dr. Morgan, who had a feud with Mr. Lilienthal, had to say about Mr. Lilienthal is certainly no evidence that Mr. Lilienthal has in any way ever said anything uncomplimentary about the Senator from Tennessee or in any way has taken any action by word or deed or even by thought against the Senator from Tennessee. I should like to have the Senator from Tennessee let the Senate know what is the basis for his statement that Mr. Lilienthal is fighting him.

Mr. McKELLAR. I shall be very happy to make such a statement if I ever get the opportunity.

Mr. HILL. Let the Senator from Tennessee make the statement, because, as I say, it is only fair to the Senate that he should do so. The Members of the Senate are sitting here as judges in this matter; we have to pass on these amendments on their merits, and when a man like the Senator from Tennessee, for whom I have a deep affection and whom I hold in such high esteem, tells me that a man has been fighting him for years, naturally it makes me react unfavorably against that man, and in such a case, whether I wanted it to be so or not, it would affect, perhaps, my position on the amendments. So I think if the Senator is going to make the argument that one reason these amendments ought to be adopted is that Mr. Lilienthal has been fighting him for years, the Senator from Tennessee ought to be able to find at least some little bit of evidence, one little thread of evidence upon which he predicates his statement.

Mr. McKELLAR. I certainly shall do so.

Mr. HILL. If Mr. Lilienthal has been speaking to Kiwanis clubs, Rotary clubs, Civitan clubs, Lion clubs, and other clubs, certainly his speeches have been reported; somebody has taken them down. If they were not printed in the newspaper, somebody who was present made a note of what he said. If Mr. Lilienthal has been fighting the Senator from Tennessee for years, there must be some evidence somewhere. The truth is when Mr. Lilienthal comes into Alabama to make a speech he generally has a mimeographed copy of it. I have a number of copies of such speeches. Whenever he comes to Alabama I usually write him requesting a copy of his speech, and he sends me a mimeographed copy of it. Now I want the Senator from Tennessee to submit one little bit of evidence upon which he predicates his statement that Mr. Lilienthal has been fighting him for years.

Mr. CONNALLY. Mr. President, the Senator from Alabama said he wanted the Senator from Tennessee to make a categorical answer as to where the speech was printed. The Senator from Alabama knows that sometimes the most effective opposition is not that of the enemy who comes out with a broadside right in front, where everybody can see him, and makes a speech, but it is the insinuating and devious methods these functionaries employ to stir up somebody else, to stir up the local Rotary president with the idea that if Mr. Lilienthal is not let alone the T. V. A. will be destroyed, or to stir up the local banker, who is afraid that if he does not look out some funds will not get into his bank, and so he begins to become alarmed and works up sentiment. Is it not possible that the opposition to which the Senator from Tennessee refers is of that kind, the sly insinuating fox-like opposition, that is very potent, rather than the brass-band type that says, "Yes, we are all against McKELLAR." If Lilienthal did that, he knows there would be an uprising, and that even the President of the United States would say, "Here, Mr. Lilienthal, you cannot do that openly; you cannot come out openly and say, 'To hell with McKELLAR'; you have got to do it with a fine Italian hand; grease the skids, get Mr. McKELLAR where his wool is short, and ease him out."

Mr. HILL. Let me say to the Senator from Texas that in all the speeches of Mr. Lilienthal that I have seen, and in all the conversations I have had with him, he has certainly not indulged in any such tactics as that. He is not making that kind of an attack, indeed, not making any kind of an attack. The Senator from Texas knows—

Mr. CONNALLY. Just a word.

Mr. HILL. The Senator knows this about it—

Mr. CONNALLY. I do not know Mr. Lilienthal, never saw him; but I know methods.

Mr. HILL. If he is making that kind of an attack, a covert attack, or, as the Senator says, an insinuating attack, is sticking him from the curtain, from behind, rather than ripping him from the front, surely the Senate of the United

States knows that kind of attack. We would have no difficulty in discerning or in properly understanding that kind of attack. If the Senator from Tennessee has any evidence of that kind of an attack, I want him to submit it to the Senate.

Mr. McKELLAR. Mr. President, the Senator brought this matter up by referring to me. I never would have brought it up myself.

Mr. HILL. The Senator from Missouri [Mr. CLARK] brought it up. I did not bring it up. I would not have brought it up. To tell the truth, if I may say so, I have regretted that the Senator from Missouri brought it up, but he referred to it, and it having been brought up, I think the Senate should go into it.

Mr. McKELLAR. I do not want the question before the Senate settled on the basis of whether the action is favorable or unfavorable to me. Mr. Lilienthal has a right to be against me, and I would not have any of these questions settled on the consideration of whether his actions were unfavorable or favorable to me. As a matter of fact, when the proper time comes, when I get an opportunity to speak, later on, after the Senator shall have concluded, I hope to make a statement about the matter, and I shall certainly give the Senator from Alabama, and every other Senator, ample evidence to show that the statement I have made is correct.

The Senator does not have to have someone tell him when a man is silently against him. He knows when a man of any note in his State is against him, and here is a man who has been against me ever since he came into the State, and has been fighting me at all times.

I appeal to my colleagues to decide this matter on its merits, and not on Mr. Lilienthal's opposition to me. I do not ask that it be decided on that ground. I ask my brother Senators to settle it on its merits entirely, and not because of any interest they may have in me personally or politically.

Mr. CONNALLY. Will the Senator from Alabama yield in order that I may ask the Senator from Tennessee a question?

Mr. HILL. Certainly.

Mr. CONNALLY. Is it or is it not the attitude of the Senator from Tennessee that so far as Mr. Lilienthal personally is concerned, the Senator agrees he has a right to vote as he pleases, but the Senator from Tennessee does not propose to arm him with Government funds and control over thousands of employees, to employ them and use them for political purposes. Is that the Senator's attitude?

Mr. McKELLAR. That is exactly my position.

Mr. HILL. Mr. President, I think no Senator would disagree with that premise, no Senator would want to arm any Government employee with thousands of dollars of Government funds, or even a few hundred dollars of Government funds, I will say to my friend the Senator from Texas, with which to engage in politics either to elect or defeat a Senator. But I do not think that funda-

mental questions of policy with reference to the T. V. A. should be determined on the basis of the actions or sentiments of any one member of the Board of Directors, or on some position the Board of Directors may have taken. If we are to legislate wisely and well, we must legislate having in mind something greater than personalities or individuals. If Mr. Lilienthal be guilty of the things the Senator from Tennessee says he is guilty of, then Mr. Lilienthal should be removed as a member of the Board of Directors of the T. V. A. If he is going around doing all these many things, we should take steps looking to his removal. As I recall the original act, it specifically provides that a member of the Board of Directors can be removed by concurrent resolution of the two Houses of Congress. If Mr. Lilienthal be guilty, if he has done things he should not have done, then we should pass on Mr. Lilienthal, and not pass on great fundamental questions of policy with reference to the operation of this great power system, on an ad hominem or personal basis.

Mr. McKELLAR. Will the Senator yield further?

Mr. HILL. I yield.

Mr. McKELLAR. A little while ago the Senator charged me with having been on the Committee on Appropriations and allowing certain things to happen, and now he charges me with not taking proper steps to have Mr. Lilienthal removed.

Mr. HILL. No, Mr. President. Let me say this—

Mr. McKELLAR. The Senator—

Mr. HILL. I have the floor, and I want to extend every courtesy to the Senator, but he must not say that I have charged him with these things. I have not charged him with anything.

Mr. McKELLAR. The Senator came very near it. Perhaps I inferred that he did, rather than that he made the actual statement, but the Senator so inferred, as I gathered what he meant from what he said. I wish to say that, so far as Lilienthal is concerned, when I found he was not running the plant in accordance with law, as I shall undertake to show tomorrow when the time comes for me to speak, I went to the President of the United States, who is my friend, who is the man who should know about the matter first, and I told him the facts, and urged him to dismiss Mr. Lilienthal from the service. He took the matter under consideration, and I had rather supposed that he would make some other disposition of Mr. Lilienthal than to keep him in Tennessee, where he was doing the things of which I complained. But it has not been done. So I feel that I am within my rights now in undertaking to see that Mr. Lilienthal not only complies with the law in Tennessee, but that he pays into the Treasury of the United States the money which he takes in, as the law intended that he should do. That is all I want to see done.

I repeat, I do not want any Senator to vote because of how he may regard me personally. I am tremendously interested in this matter, because I have given the greater part of my life to the building of the Tennessee dams, as I propose to show tomorrow. The greater

part of my public life has been given to that purpose. I have been with them from the beginning, since 1916, when I offered the first amendment that became law providing for the building of these dams. I want to see them prosper. I want to see them honestly administered. In very large measure, I caused the Government to put its money down there. I should be untrue to my duty as a Senator if I did not take every precaution to see that the Government money was honestly accounted for, and that there was paid into the Treasury of the United States all that should be so paid. It is for that reason that I am laying before the Senate frankly my whole course in regard to the matter. I have not taken anyone by surprise. I have been open and frank before the committee, before the Senate, and before the President of the United States.

Mr. HILL. Mr. President, I wish to say again that what I seek is not any change of the basic law at all, but that the T. V. A. be allowed to operate this great system just as it has been allowed to operate it under the basic law from the very beginning, in 1933.

Today more than two and a half million people depend on this power system in their daily lives. When the Tennessee Valley Authority Act was adopted, there was a capacity of 244,000 kilowatts of power turned over to the T. V. A. to manage. Today T. V. A. is operating 24 major generating plants—18 hydro and 6 steam—having a total installed capacity of over 1,800,000 kilowatts. Over 11,000,000,000 kilowatt-hours are supplied from this system to some 540,000 consumers. Over 5,700 miles of transmission lines have been constructed or acquired to carry the power to 84 municipalities and 45 farm cooperatives who own their distribution systems, to 11 great industries all in war production, and to 10 military establishments.

Over 75 percent of the power produced by T. V. A. today is going directly into war production. During the period from September 1939 to December 1941 the T. V. A. delivered to the various war industries in the area a total of 2,000,000,000 kilowatt-hours in excess of its contract commitments. This was made possible by efficient management and by T. V. A.'s ability to meet emergencies by using its revenues. This was the power that went directly into bombers and fighters at the very time when the need for them was greatest.

This is the size of the job the Congress of the United States would undertake to manage under the Senate amendments. Every Senator knows we are not equipped to do it. Federal budget and appropriations procedures are not designed for such operations. And no matter how gifted, how industrious, and how devoted to the public service members of the Appropriations Committees may be, they are not selected for their experience in electric system operation nor do they have the time to learn the craft. And they are 500 miles away from the problem.

What kind of management decisions did these new managers propose?

This would be the total effect of their recommendations: They are not the effects set out in the committee report. The savings to which the committee refers are an illusion. Actually the result of the committee's recommendations would be to reduce revenues, to limit power capacity below contractual commitments, to jeopardize the continuity of electric service throughout the area, to freeze war production.

These are some of the committee's recommendations for the management of the T. V. A. power system next year:

First, stop work on Watts Bar steam plant.

The appropriation bill as it passed the House, based on recommendations of the present management of the T. V. A. power system, provided for continued construction at Watts Bar steam plant. The text of explanation provided by T. V. A. for use of the committee members showed that the continued construction referred to involved the installation at this existing project of a new generating unit. The Senate Committee on Appropriations decided to strike it. I find little discussion on this important managerial decision in the record of the hearings. I wonder if the committee knew the facts. This is the situation:

This would be the fourth unit to be installed at the Watts Bar steam plant. It was reinstated in the Authority's construction program by special action of the War Production Board late in 1943 because more power was needed for war production. Earlier, in October 1942, although funds had already been provided by the Congress, work on this unit had been stopped. But when a sudden and substantial increase occurred in the power requirements of War Department projects in this area, the installation of this unit became essential. It happens to be one of the few increases in generating capacity approved by W. P. B. for 1945 for the entire interconnected power system of the east-central region of the United States, and, fortunately, required relatively little manpower or materials because the building and the boiler had been largely finished when completion was deferred in October 1942 by W. P. B. order.

The steam turbine and the generator are now in process of manufacture, and most of the material has been fabricated. Taken as a whole, the fourth unit and appurtenant facilities will be over four-fifths completed by the end of this fiscal year, and will have a rated capacity of 60,000 kilowatts, capable of producing about a half billion kilowatt-hours per year. But it will be useless and idle—incapable of earning any return on the \$4,000,000 already paid out—if it is stricken from this bill, and if receipts are turned into the Treasury and the Authority must depend on appropriated money.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. HILL. Yes; I am glad to yield to the Senator from Ohio.

Mr. BURTON. Will the Senator estimate for us to what extent this project was completed or will be completed by the end of this fiscal year?

Mr. HILL. It will be nearly completed, but it is necessary to have this additional money for final completion.

Mr. BURTON. As I understand, by the end of this fiscal year—

Mr. HILL. Which fiscal year?

Mr. BURTON. The one that expires on June 30 next.

Mr. HILL. No; it would go over into the next fiscal year.

Mr. BURTON. Is the additional money with which we are now dealing required to complete the units?

Mr. HILL. To finish the units; yes.

Mr. BURTON. And if this additional money is not appropriated, then to what extent will the work be left uncompleted?

Mr. HILL. It will be left uncompleted to such an extent that all the power or benefits from it would be denied. In other words, none of the 60,000 kilowatts of power which the project would be capable of producing or would produce would be obtained.

Mr. BURTON. Am I correct in this picture of the matter, that there is about 10 percent more to be done, and that about 90 percent has been done?

Mr. HILL. I think the Senator is approximately correct.

Mr. BURTON. So if the additional amount provided in the bill is not appropriated we might actually lose the benefit of the 90 percent which has been spent, including the critical materials that have gone into it?

Mr. HILL. It would be lost so far as getting any power is concerned. There is no question that it would be lost. In other words, if the committee amendment is adopted one-half billion kilowatt-hours a year would be lost to war production, in the manufacture of rubber, phosphorus, steel, or aluminum—for tanks, ships, planes, smoke screens, and bombs.

Mr. BURTON. May I inquire further if the appropriation with which we are dealing relates to an additional unit or to an original installation?

Mr. HILL. It relates to an additional unit in the plant, and the additional unit would produce one-half billion kilowatt-hours of power a year. If we fail to provide this money we will not get the additional one-half billion kilowatts of power.

Mr. BURTON. And approximately \$4,000,000—is that the figure the Senator is using—would be in the project, but would not be usefully employed?

Mr. HILL. On which there would be no return.

Mr. BURTON. So the Senator's point is that if this item of appropriation were omitted we would not be serving the purpose of economy, but by our failure to proceed with some 10 percent we would be losing the use of some 90 percent of an investment in an additional unit for this plant?

Mr. HILL. The Senator is absolutely correct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. May I ask what unit that is?

Mr. HILL. It is the additional unit at the Watts Bar steam plant.

Mr. President, this illustrates one of the dangers of the Appropriations Committee trying to manage this great power project in the Tennessee Valley; in other words, this amendment, if adopted, will mean that this unit cannot come into operation, this power will not be available, and guns, planes, ammunition cannot continue to go out from this river valley to the other valleys of the world where our boys are fighting and dying.

Under the present management of T. V. A. there has been no interruption. In other words, these investments have been used in the wisest and most economical and most efficient way. We have not permitted, as is now proposed, a project on which \$4,000,000 have been expended, to stand idle, thus denying the power which is needed for war production. That is what the amendment suggested by the committee would do.

The committee recommendation, as embodied in the amendment, is an effective answer to those who try to tell us that Congress will always appropriate the money required to carry on the power operations, that the consumers of power need have no fear of dependence on annual appropriations. This is the first time the committee has faced the problems of managing a power system. What is the result? By the very first amendment in the bill the committee stops construction of a system extension urgently required to carry a critical war load.

I am not suggesting any lack of patriotism or concern for war production. I am simply illustrating the fact that the details of a power business in the Tennessee Valley cannot be run from an office in Washington, even if that office is as important as the room of the Committee on Appropriations.

The situation would be almost as bad in peacetime. Suppose, for example, that this unit, instead of being installed to meet increased war requirements, were under construction to meet the expanding power requirements of a city like Chattanooga, Tenn.? Chattanooga is entirely dependent on T. V. A. as its source of power supply. Suppose Chattanooga, happy in an increased population, a more prosperous people, advised the T. V. A. that it was going to require more power for new factories, new homes, new stores. The titular manager of T. V. A. would say: "I will go to Congress and see if we can put in a new unit at Watts Bar." While he came with his figures to prove that such an investment would pay out, some of the stores or factories or citizens might make other plans for installations at other locations. But assume that, full of faith in their Government, they waited, and did not seek other locations. And let us assume that the manager made out a good case, and that in due time funds were appropriated to pay the estimated expenses of manufacturing such a unit for the next fiscal year. Contracts would be entered into, not only contracts for power supply, but contracts for building construction, for air conditioning, for the purchase of refrigerators and stoves, the kind of business activity that is good for a city to have. All plans would be made. But then suppose that the next year,

when construction was incomplete, as construction is incomplete now at the Watts Bar steam plant, the committee changed its mind, and that funds to complete the unit were not allowed. Can you picture a prosperous and happy area dependent on such a power system, run by such vacillating managers?

There is nothing theoretical about my assumption that the committee might well be variable. This is exactly what has happened. The Watts Bar generating unit was once approved by Congress. That unit is almost completed. It is needed to supply commitments solemnly entered into by an agency of the United States. The unit is needed for power for victory. And now, without any testimony, without technical inquiry or advice, provision for it is stricken from the bill.

I need offer no further proof that the adoption of this amendment would mean the impairment of the T. V. A. power system, that it would halt war production, and would affect adversely the interest of taxpayers all over the country, who would receive no return on their investment. But I have further proof.

Let me cite another example, one directly affecting power-system operation, to prove that these Washington managers in the first year they have proposed to assume the responsibility for running this power system have made a terrible error. Under the committee's recommendations under the committee amendments, the bill contains a limitation of \$600,000 on the construction and purchase of transmission lines and related facilities. I find no word of explanation in the committee report with respect to the method by which this amendment was agreed upon.

Power service can be rendered only by means of transmission lines. Annually, every large transmission system requires replacements, additions, and alterations to provide adequate and reliable service. With the new power capacity at the Kentucky and Fontana Dams, additional transmission facilities are required during the next fiscal year to take that power to the market. Detailed knowledge and engineering skill are needed to determine whether \$600,000, \$1,000,000, \$10,000,000, or any other fixed sum will be required. The men on the job who are operating the system estimated that in order to transmit its power from its generating plants to its customers, a total of \$9,696,591 would be required for transmission lines and related facilities in the fiscal year 1945. The new managers—the committee—decided \$600,000 would be enough, a discrepancy of more than \$9,000,000 for which I find no explanation in the committee report or in the hearings. This limitation actually means that the result of adopting this amendment would be that no transmission facilities at all—not a single mile of them—could be constructed in the fiscal year 1945. For, as it happens, the \$600,000 is not enough to complete projects already under construction in the current fiscal year.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The Senator asked for some newspaper articles or, as he said, something which would give him an inkling as to Mr. Lilienthal's actions. I am now prepared to produce some.

Mr. HILL. Very well.

Mr. McKELLAR. The first article I have found—and I am having others looked up—is taken from the Memphis Commercial Appeal of July 10, 1942:

T. V. A. CHAIRMAN WARNS OF POLITICAL
THREAT

KNOXVILLE, TENN., July 9.—Chairman David E. Lilienthal, of the T. V. A., Thursday struck out at what he described as "indications of an effort to infiltrate politics into the municipalities and cooperatives distributing T. V. A. power," declaring:

"The people of the valley must be on guard against the opening of a second front in the battle to make this region the spoils of a narrow and old-fashioned kind of politics."

WASHINGTON FRONT HELD

The Chairman, in an address—

He was referring to a different kind of amendment, the \$4,500 amendment, at that time—

prepared for delivery at a Knoxville Kiwanis luncheon, said the issue of political management versus business management had been before the people in recent months, and added, "That attack has been turned back."

"We have been promised that it will be resumed, and I doubt not it will. But for the present it certainly has failed. The first front—the front at Washington—has been held."

In a second article, this one coming from Chattanooga, a meeting was described. The article reads, in part, as follows:

Responding to Lilienthal's attacks on him and Senator K. D. McKELLAR, Senator STEWART challenged the T. V. A. Director to show that he was more interested in T. V. A. than in the Tennessee Senators, and branded him as a dictator of the giant Federal power project.

Mr. President, those are two—

Mr. HILL. Mr. President, I should like to say to the Senator, if he will permit an interruption, that I am familiar with the speech to which the Senator has referred. It was a speech to which the junior Senator from Tennessee [Mr. STEWART] took exception, and which the junior Senator from Tennessee felt was an attack upon him.

Mr. McKELLAR. The newspaper article said it was an attack upon me, also.

Mr. HILL. Did the newspaper article say that?

Mr. McKELLAR. Yes.

Mr. HILL. Where in the newspaper article is such a statement to be found?

Mr. McKELLAR. I just read it.

Mr. HILL. I did not hear the Senator's name mentioned in the article he read.

Mr. McKELLAR. Yes; the attack was on both of us. My name also was mentioned, and the article was in regard to the attack. That is the way Mr. Lilienthal proceeds. He has an eely, oily, insinuating, ingratiating way of attacking. His attack is not an open one. He has not the manhood to make an open attack. It is always an eely, oily, ingratiating attack. In my judgment it is well known to every informed person in Tennessee that he has bitterly fought me from the time he went into office. The Senator

asked for the documents, and I have furnished them to him. I can find others as well.

Mr. HILL. I am familiar with that particular speech. Both clippings refer to that one particular speech. I have it before me. It was made on July 9, 1942, before the Knoxville Kiwanis Club, at the Andrew Johnson Hotel in Knoxville, Tenn. That is the speech which the junior Senator from Tennessee [Mr. STEWART] felt was an attack on him, and he so stated. If the Senator can find any other speeches, I wish he would do so, and bring them to the attention of the Senate. This particular speech was made on July 9, 1942. The junior Senator from Tennessee felt that it was an attack on him, and so construed it. But I do not find anything in the speech which constitutes a particular attack on the senior Senator from Tennessee. If he has anything which contains a particular attack on him, I hope he will bring it to the attention of the Senate.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BURTON. I wish to ask a question on the subject of transmission lines. The Senator was discussing the proposed committee amendment, which would limit to the specific sum of \$600,000 expenditures for the construction or purchase of transmission lines. Of course, transmission lines are the heart and veins of any electrical system.

Mr. HILL. They are the arterial system.

Mr. BURTON. Did I correctly understand the Senator to indicate that \$600,000 might not be sufficient to maintain the safety of the system in the event of a disaster calling for reconstruction, or does this relate to new construction?

Mr. HILL. I stated that \$600,000 would not permit a single mile of new line to be constructed, and would not even finish the construction now under way.

Mr. BURTON. But is it the interpretation of the Senator that this would not limit expenditures for reconstruction or replacement of lines which might be destroyed by tornadoes or something of that sort? A disaster of that kind is a vital factor to the whole community, and such damage is very difficult to estimate. I wondered what provision was made for it.

Mr. HILL. If the disaster should occur early in the fiscal year, there might be sufficient funds. If it should occur at a later date, there might not be sufficient funds if the Authority had to rely entirely on appropriations from the Congress.

Mr. BURTON. That is the point which I wished to reach.

Mr. HILL. That is one of the values of the right to expend their receipts, because the receipts are coming in all the time, and if emergencies occur they have the receipts available to meet the emergencies.

Mr. BURTON. I can see that there might be some reason for limitations as to new lines, based upon the facts of the case, but to establish an arbitrary figure of \$600,000 for reconstruction of lines

might involve serious danger to the community.

Mr. HILL. What would be the result of the limitation of \$500,000? Fontana Dam, one of the largest dams constructed, could not be connected to the system. Not a single kilowatt of the 135,000 kilowatts to be installed at Fontana for operation in 1945 would be available to support the war load that capacity is being installed to serve. This dam will have cost the taxpayers a total of about \$70,000,000. Under this amendment limiting transmission-line construction to \$600,000 it could not be put to use and there would not be a dollar in return. Similarly, an additional line to make power available from Kentucky Dam could not be built. This is the kind of cut the committee calls a saving. In other words, this power could not go into the T. V. A. system. There would be no money to build a transmission line to take the power into the T. V. A. system.

Mr. BURTON. Do I correctly understand that this item might fall into the same category as the preceding item, that is, by limiting transmission-line construction to \$600,000, might we be depriving ourselves of the beneficial use of properties which we have and for which we have expended a large amount of money, which would not be economy, but the opposite?

Mr. HILL. The Senator is exactly correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. If the money were not available to build a transmission line from the Fontana Dam to connect it with the T. V. A. system, would there be any other market for the power?

Mr. HILL. No; there would be no other market. If that power could not go into the system, there would be no market. I take it that no one would build with his own funds a power line all the way from North Carolina to the Fontana Dam to obtain that power. The power would go to waste.

Mr. AIKEN. I mean some private utility.

Mr. HILL. There is no private utility operating in that field which could take it.

Mr. President, if such decisions as these represent the quality of managerial competence to be provided for this system, I fear that power consumers in the Tennessee Valley will find little to prefer in management from Washington, over the system of management in New York, a scheme they enthusiastically abandoned. The stockholders, taxpayers from Maine to California, should revolt against such gross mismanagement of their investment.

Let me cite another example of the carefree spirit in which in its remote headquarters the Senate committee has slashed this appropriation.

Third. Carry out the program approved by the Senate committee, but providing total funds \$40,000,000 short of that necessary to do so.

Two years ago the question before us now was debated. Then, when I argued as I argue now, that power service would

be jeopardized under such a system, I was reproached for my misgivings. A long history of generous treatment was cited as evidence of the fairness with which Congress would appropriate to meet the needs of the people of the Southeast. We need discuss history no longer to see what the realities are. Just examine the text of this bill. By a series of amendments this bill leaves T. V. A. short of funds by at least \$40,000,000 to carry out the program approved in the bill.

In line 16, on page 52, the committee proposes to make a direct appropriation of \$76,981,872, supposed to be sufficient to finance the program. The bill as it passed the House appropriated no new money. It reappropriated the unexpended balance, which, together with estimated receipts, was expected to be adequate to cover all outstanding commitments as of June 30, 1944, and to finance the approved program of T. V. A. for the fiscal year 1945. That program, approved on the basis of detailed examination, was estimated to require \$79,134,882 for fiscal year 1945. Receipts were estimated to total \$68,528,882. The unobligated balance to be carried over from 1944 was estimated to be \$19,262,298. That gave a total of \$87,791,180, enough to finance all projects and operations of the Authority now underway, and to leave a balance of \$8,656,298 which would be on hand in the event resumption of work were ordered on war projects authorized by Congress, but ordered stopped by W. P. B. Chief among these are the Watauga and South Holston Dams and the phosphorus plant at Mobile. Unless work on these authorized projects were ordered resumed, the money would not be expended.

In place of that accustomed procedure, the Senate committee proposing to deprive T. V. A. both of its receipts in 1945 and its unexpended balance, offers the figure of \$76,981,873 as adequate to meet the year's total fund requirements. This amount is inadequate by approximately \$40,000,000 to finance the expenses of T. V. A. even as approved by the Senate committee. The trouble is this: In making its estimate, the committee ignored some \$30,000,000 of commitments outstanding on June 30 of this year by confusing the T. V. A. estimated unobligated balance with the unexpended balance. They are very different things. These are things managers should be familiar with.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The bill as it passed the House approves the expenditure of \$89,000,000. The Senate version approves an expenditure of \$76,000,000. That is a difference of \$13,000,000. How in the name of heaven can the Senator claim that the Senate committee provision is \$40,000,000 short?

Mr. HILL. The House bill approves expenditures of \$89,000,000 during the next fiscal year, which is the fiscal year beginning July 1, next, but also makes provision to pay the commitments, which the Senate committee evidently overlooked. It did not distinguish between an unobligated balance and an unex-

pended balance. The T. V. A. might have \$100,000,000 in its fund as an unexpended balance; but if it had commitments up to \$75,000,000 against that fund, it would really have an unobligated balance of only \$25,000,000. That is the difference.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The Senator has just admitted that of the \$89,000,000, eight-million-dollars-plus could be put into a reserve fund.

Mr. HILL. No; not to be put into a reserve fund. It was allowed by the House in order to provide funds for the completion of the Watauga Dam, the South Holston Dam, and the phosphate plant at Mobile, Ala., if the War Production Board should approve the completion of those two dams and the construction of the phosphorus plant at Mobile.

All the money proposed to be appropriated is needed to finance the program approved by the Senate committee for 1945. In fact, the amount provided is still short of that required to meet obligations approved in the bill as amended by the Senate committee, because no funds are provided for construction of South Holston, Watauga, or the Mobile plant, although construction is authorized. This leaves nothing to meet outstanding commitments against 1944 funds, totaling approximately \$30,000,000.

That is where the rub comes. There is no provision for the commitments which have been made and which, of course, the T. V. A. must pay.

Therefore by the failure to provide funds for these approved projects, and by failure to understand the difference between unobligated and unexpended balance, what is the result? T. V. A., a war agency, is left somewhere between \$30,000,000 and \$40,000,000 short of being able to do the very work the Senate committee approves.

POWER FOR WAR PRODUCTION IN THE TENNESSEE VALLEY WILL BE SHORT IN 1945 UNDER THE COMMITTEE AMENDMENTS

The new Washington managers were not finished when they ordered work stopped on the fourth unit at Watts Bar steam plant, a unit for which Congress has already appropriated funds, which W. P. B. has ordered installed, which will be almost completed by the 1st of July, and the production of which is already committed to support war loads, and which, without this action, would soon be on its way to paying out the \$4,000,000 already invested. They were not content when they prohibited the construction of any transmission lines in 1945, thereby keeping power from Fontana and Kentucky dams from going out to increase war production. By these two amendments the committee proudly claims to have saved \$1,000,000. What they have done is to remove 255,000 kilowatts from war production in 1945, and they have lessened estimated income for that year by approximately \$1,500,000, an item of interest to taxpayers. They were not even satisfied when they left the whole T. V. A., of which the power system

is a part, short by \$40,000,000 of funds to do the work they themselves directed. That was only a beginning.

With these major items decided, the committee felt free to go into details. They decided how many automobiles T. V. A. could economically use and how much maintenance should cost, without any regard to the number that might be required for this revenue-producing operation. They decided just when the surplus should be disposed of without any regard to what might be the most profitable place of disposal. They decided that T. V. A. should no longer advertise to secure workmen. Nearby power systems can. All war industries can. They are under private management. But, according to this managerial decision, there is no way in the world that T. V. A. can get word to the general public if linemen, switchboard operators, transmission crews are needed. Yet this is war. That system must be kept going in a manpower shortage.

Mr. President, I am not impressed with the sagacity of these newly self-appointed managers of our power system. I am against the unnecessary centralization of power in Washington. I think that this is just one more example of the ineptness of decisions reached far away from the people those decisions affect.

The present management of T. V. A. is down in the valley, close to the people it serves. It has been an honest, businesslike, efficient management, and it should be permitted to continue. The people do not want this legislation.

CENTENNIAL OF FIRST TELEGRAPH MESSAGE

Mr. WHEELER. Mr. President, for the Senator from Maryland [Mr. TYPINGS], from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, without amendment, House Concurrent Resolution 72 and ask unanimous consent for its immediate consideration. I may say that the concurrent resolution which was submitted in the House by Representative BULWINKLE, was adopted by the House of Representatives unanimously, and a similar concurrent resolution (S. Con. Res. 39) submitted by me and which is identical with the House concurrent resolution, has been reported today from the Committee on the Library. The concurrent resolution provides for the creation of a joint congressional committee to secure an appropriate plaque or other suitable memorial to be placed in or near the room in the Capitol from which the first telegraph message was dispatched and to arrange for appropriate exercises to be held on May 24, 1944. There is a preamble to the resolution which sets forth certain interesting facts in connection with the invention of the telegraph.

I may say that I have spoken to the leader on the other side of the Chamber, and I hope there will be no objection to the consideration of the resolution.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the concurrent resolution (H. Con. Res. 72) as follows:

Whereas Samuel F. B. Morse, a distinguished American artist, invented the first practical electromagnetic telegraph in the winter of 1835-36, and obtained an appropriation from the Congress of the United States in 1843 for the construction of an experimental telegraph line between Baltimore, Md., and Washington, D. C.; and

Whereas the first telegram, "What hath God wrought?", was sent over this line from the old Supreme Court room in the Capitol to Baltimore on May 24, 1844; and

Whereas the sending of the first telegram marked the beginning of the telegraph industry, which has been indispensable to the country in four wars and, by linking all sections, has implemented the traditional motto, "E Pluribus Unum"; and

Whereas the telegraph was the first speedy means of communication connecting the nations of the world, bringing all peoples closer together, and promoting the dissemination of ideas as well as international trade; and

Whereas the telegraph was the first great electrical discovery and was the forerunner of our entire system of electrical communications, including the telephone, the radio, and television: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint congressional committee to be composed of five Members of the Senate to be appointed by the President of the Senate, and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. Such committee shall secure an appropriate plaque or other suitable memorial to be placed in or near the room in the Capitol from which the first telegraph message was dispatched, and shall arrange for appropriate exercises, to be held on May 24, 1944, for the purpose of placing such plaque or other memorial and commemorating the centennial of the telegraph. The cost of carrying out the provisions of this concurrent resolution, including the cost of such plaque or other memorial, not to exceed \$4,000, shall be paid one-half from the contingent fund of the House and one-half from the contingent fund of the Senate.

THE PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. WHITE. Mr. President, reserving the right to object, the Senator from Montana was good enough to speak to me about the matter, and so far as I know there is no objection to the concurrent resolution. It seems to me altogether appropriate that there should be exercises marking the centennial date of the use of the telegraph, and I join with the Senator from Montana in asking for the consideration and adoption of the concurrent resolution.

Mr. WHEELER. I thank the Senator.

THE PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the concurrent resolution was considered and agreed to.

The preamble was agreed to.

EXECUTIVE SESSION

Mr. McKELLAR. Mr. President, it is apparent that we cannot complete consideration of the pending bill tonight.

If there is nothing further at this time, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By **Mr. GEORGE**, from the Committee on Finance:

Sundry officers for promotion in the Regular Corps of the United States Public Health Service.

By **Mr. WALSH** of Massachusetts, from the Committee on Naval Affairs:

Capt. Robert W. Hayler, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 16th day of January 1943;

Capt. Allan E. Smith, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 5th day of November 1942;

Capt. Thomas L. Sprague, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 16th day of April 1943;

Sundry chief warrant officers and warrant officers to be lieutenants in the Navy, to rank from January 14, 1944;

Sundry chief warrant officers to be lieutenants (junior grade) in the Navy, to rank from January 14, 1944;

Several warrant officers to be ensigns in the Navy, to rank from January 14, 1944;

Sundry chief pay clerks to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from January 14, 1944;

Chief Pay Clerk Edward J. Hagen to be an assistant paymaster in the Navy, with the rank of lieutenant (junior grade), to rank from January 14, 1944;

Sundry pay clerks to be assistant paymasters in the Navy, with the rank of lieutenant (junior grade), to rank from January 14, 1944;

Several acting pay clerks to be assistant paymasters in the Navy, with the rank of lieutenant (junior grade), to rank from January 14, 1944;

Several officers of the Naval Reserve to be ensigns in the Navy;

Asst. Surg. Delphos O. Coffman to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade), to rank from September 8, 1939, to correct the date of rank as previously nominated and confirmed; and

Sundry officers of the Naval Reserve, to be assistant paymasters in the Navy, with the rank of ensign.

By **Mr. McKELLAR**, from the Committee on Post Offices and Post Roads:

Several postmasters.

By **Mr. TYDINGS**, from the Committee on Territories and Insular Affairs:

Ernest Gruening, of New York, to be Governor of the Territory of Alaska (reappointment).

THE PRESIDING OFFICER. (Mr. TUNNELL in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk proceeded to read sundry nominations in the judiciary.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the judiciary nominations be confirmed en bloc.

THE PRESIDING OFFICER. Without objection, the nominations in the judiciary are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

THE PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. McKELLAR. I ask unanimous consent that the nominations in the Army be confirmed en bloc.

THE PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

That concludes the calendar.

Mr. McKELLAR. I ask unanimous consent that the President be notified of all nominations confirmed today.

THE PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. McKELLAR. As in legislative session, I move that the Senate take a recess until 12 o'clock noon, tomorrow.

The motion was agreed to; and (at 4 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, March 22, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 21 (legislative day of February 7), 1944:

THE JUDICIARY

UNITED STATES DISTRICT JUDGE

Henry N. Graven, to be United States district judge for the northern district of Iowa.

UNITED STATES ATTORNEYS

John J. Morris, Jr. to be United States attorney for the district of Delaware.

Harry H. Holt, Jr. to be United States attorney for the eastern district of Virginia.

UNITED STATES MARSHALS

Raymond E. Thomason to be United States marshal for the northern district of Alabama.

Roulhac Gewin to be United States marshal for the southern district of Alabama.

Robert W. Rabb to be United States marshal for the middle district of Pennsylvania.

APPOINTMENT, BY TRANSFER, IN THE ARMY OF THE UNITED STATES

First Lt. Burnis Mayo Kelly, to Signal Corps.

First Lt. Vernon Price Mock, to Infantry.

First Lt. Thomas Henry Muller, to Infantry.

Second Lt. Benjamin Willis Mills, Jr., to Infantry.

First Lt. William Bailey Crum, to Air Corps.

First Lt. Newton Elder James, to Air Corps.

First Lt. Robert Belden Kuhn, to Air Corps.

First Lt. Robert Morris, to Air Corps.

First Lt. Arthur Tilman Williams 3d, to Air Corps.

Second Lt. Jerald Morris Davies, to Air Corps.

Second Lt. James Edwin Foley, to Air Corps.

Second Lt. Thomas Terrell Jackson, to Air Corps.

Second Lt. Martin Cadenhead McWilliams, to Air Corps.

Second Lt. Irving Richard Perkin, to Air Corps.

Second Lt. Boone Seegers, to Air Corps.

Second Lt. James McIndoe Winterbottom, to Air Corps.

"Lord Brabazon," he said, "was quoted as objecting to the policy which ended the freezing of the earnings of United States films in Britain, going on to say that, while such earnings were frozen, English films were allowed to be shown in the United States. He added that the moment the funds were unfrozen 'not another English film was shown in the States.'"

"This statement is simply not in keeping with the facts. If allowed to go unchallenged, it might result in a revival of the freezing policy. The American industry needs some group to watch its interests in foreign developments of the kind. It is far easier to correct misunderstandings of the kind than to undo the damage after it is done."

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appro-

for from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Indiana [Mr. JACKSON] is absent on official business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

House did, the unexpended balances of the present year's appropriation and appropriating the receipts of the T. V. A. for the coming year, and providing for a reserve of more than \$8,000,000, as the House did, the Senate committee has amended the bill so as to appropriate out of the Treasury of the United States the sum of \$76,000,000, and has inserted the usual clause applicable to other agencies, requiring them to pay into the Treasury their unexpended balances and their receipts, and doing away with the reserve fund of some \$8,000,000 requested by Lilienthal. For several years now Lilienthal has been getting, in addition to his appropriation, a clause like the one in the House bill authorizing him to use the income of the T. V. A. in his operations. Those are the principal changes involved in the

"But this is only one phase of the program which the industry should press for the removal of embargoes and other barriers to the free distribution of our films. The need exists for a permanent, well-organized industry committee, capable of dealing with national and international problems, particularly in relation to the peace conference and post-war conditions.

"Unless the industry lays the groundwork in advance for presenting its case it will miss a golden opportunity. The proper committee or agency should be set up now to begin preparing a program."

Mr. Hopper said the motion-picture industry is probably the greatest salesman of American goods and the democratic way of life that could possibly be devised.

"If results could be tabulated," he declared, "they would unquestionably show that the modern motion picture is not only the greatest salesman of the American way of life, but that it is daily selling everything from hairpins to steam locomotives, kitchen cabinets, bathroom fixtures, and motorcars, to say nothing of women's and men's fashions, nationally and in every corner of the earth.

"Without a properly organized committee to keep the United States Government and all its agencies, as well as foreign nations, thoroughly conversant with the needs and requirements and problems of the industry, there is little hope that the motion-picture producers of the country will be given proper consideration at the peace table or in the domestic affairs of foreign nations with regard to consumer goods produced in the United States.

"It seems to me," he added, "that it is elementary that any such sales agency as this industry should take every step possible to see that its voice and influence are properly and adequately heard, both here and abroad."

In announcing that 90 percent of the war problems in film and motion-picture regulation have now been adjusted by the War Production Board, Mr. Hopper said that all of the essential needs of film by the Army and Navy and amusement had been met, and that he anticipated that sometime in 1944 there would be sufficient film production in the United States to permit unlimited sales even to amateurs and the general public. The latter point, he feels, is particularly desirable because of the urgent and insistent demand of our soldiers and sailors overseas and elsewhere for photographs of loved ones at home and familiar scenes. Such demands are growing stronger every day, he said.

Mr. Hopper said the latest evidence of the need for organization of an industry committee to function in connection with foreign problems was found in dispatches carried by the American press last week telling of an attack made on Hollywood films by Lord Brabazon in the British House of Lords.

"Lord Brabazon," he said, "was quoted as objecting to the policy which ended the freezing of the earnings of United States films in Britain, going on to say that, while such earnings were frozen, English films were allowed to be shown in the United States. He added that the moment the funds were unfrozen 'not another English film was shown in the States.'

"This statement is simply not in keeping with the facts. If allowed to go unchallenged, it might result in a revival of the freezing policy. The American industry needs some group to watch its interests in foreign developments of the kind. It is far easier to correct misunderstandings of the kind than to undo the damage after it is done."

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appro-

priations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 51, line 17.

Mr. McKELLAR. Mr. President, yesterday the Senator from North Dakota [Mr. LANGER] asked about some rubber gloves. I told him I would have the matter looked up, and I have done so.

The Securities and Exchange Commission purchases about 30 pairs of rubber gloves per year, spending therefor between \$15 and \$20. The fluids used in the photostat work and the multilith work contain acids injurious to hands and it is, therefore, necessary that employees engaged on this work be provided with rubber gloves. The Comptroller General has ruled that for an agency to purchase rubber gloves there must be specific statutory authority therefor, and for this reason the appropriating language of the Securities and Exchange Commission contains the words "and purchase of rubber gloves."

Mr. LANGER. Mr. President, I am very grateful to the distinguished Senator from Tennessee for the information he has just given the Senate.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Willis
Downey	Overton	Wilson
Eastland	Radcliffe	
Ellender	Revercomb	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Indiana [Mr. JACKSON] is absent on official business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

Mr. WHERRY. The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Kansas [Mr. REED] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The VICE PRESIDENT. Sixty-seven Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, since 1916 I have been a very diligent worker in behalf of the building of the dams on the Tennessee River. In my own estimation my work in the Congress, during the time I have been a Member of Congress, in furthering the building of the dams on the Tennessee River has been the most important work of my life. In importance to Tennessee, of course, it far surpasses anything else I have ever done; and in building up the country it has been of great value.

Mr. President, I am somewhat embarrassed by many things which have been said in this debate. During the entire time that we have been working in behalf of these dams, there has been more or less embarrassment. Naturally that is so. It is a very large project. On it the Government has expended between \$750,000,000 and \$800,000,000. That is quite a large sum of money. It is estimated that the receipts this year from those dams will amount approximately to \$68,000,000. That is quite an item so far as the present state of our country in this war is concerned.

The committee has reported a change in the T. V. A. appropriation as passed by the House. The principal change is that instead of appropriating, as the House did, the unexpended balances of the present year's appropriation and appropriating the receipts of the T. V. A. for the coming year, and providing for a reserve of more than \$8,000,000, as the House did, the Senate committee has amended the bill so as to appropriate out of the Treasury of the United States the sum of \$76,000,000, and has inserted the usual clause applicable to other agencies, requiring them to pay into the Treasury their unexpended balances and their receipts, and doing away with the reserve fund of some \$8,000,000 requested by Lilienthal. For several years now Lilienthal has been getting, in addition to his appropriation, a clause like the one in the House bill authorizing him to use the income of the T. V. A. in his operations. Those are the principal changes involved in the

amendments affecting the Tennessee Valley Authority.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AUSTIN. I should like to ask whether there are other amendments which affect this question or whether it is all involved in one amendment, and will be determined by one vote?

Mr. McKELLAR. It will not, because the amendments can be divided. The principal amendment is that providing for payment into the Treasury of the receipts. The others are all subordinate to that amendment. As the Senator will see, they are all related.

Mr. President, how could it in any way cripple the Tennessee Valley Authority if we should appropriate substantially the same amount that the Authority claims it would receive under the House provision? This matter has been exaggerated far beyond its real status. The committee proposes what Congress provided in the original law, namely, that the receipts shall be paid into the Treasury of the United States, and that the Authority shall come to the Congress for its money. Is there anything unusual about that? That is what we require in the case of nearly every other similar activity. Every other business of this kind is conducted on that basis. That is what the T. V. A. has done heretofore, until its receipts amounted to as much as its expenditures.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HILL. I do not wish to interrupt the Senator's speech, but the Senator knows, and I tried to make plain yesterday, that I do not agree with his interpretation, or his statement with reference to the basic law. I think the language of the basic law is very clear. If the Senator will yield, I should like to read it.

Mr. McKELLAR. It was read several times yesterday. I hope the Senator will wait until I conclude before reading the law again. I think we all understand what the law is. I hope the Senator will not read it again at this time.

Mr. HILL. I shall not do so, but I wish to make it clear that I do not agree with the Senator's statement.

Mr. McKELLAR. I understand that. The Senator said so several times yesterday, and I am quite sure the Senator does not agree with what we propose to do.

Mr. HILL. Not only do I not agree with what is proposed, but I wish to emphasize that I do not agree with what the Senator says about the basic law.

Mr. McKELLAR. I understand. I think it is well understood that the Senator does not agree with me on that point.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. Whatever may have been the original act, and whatever interpretations may have been placed upon it in the past, is it not true at this time that the principal question which is raised is whether the receipts from the Tennessee Valley Authority shall go into a special fund in the Treasury, always at the dis-

posal of the T. V. A., amounting, in practical effect, to the building up of a revolving fund in the Treasury? Is not that the question?

Mr. McKELLAR. The Senator has stated it very accurately.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HILL. I do not wish to take the Senator's time, but I do not believe the Senator from Maine has correctly stated the proposition.

Mr. McKELLAR. Will not the Senator be good enough to have it out with the Senator from Maine a little later? I shall greatly appreciate it.

Mr. HILL. I shall do so. However, let me say to the Senator from Tennessee that when I was speaking yesterday there was not a single time when he asked me to yield that I did not yield.

Mr. McKELLAR. The Senator yielded; but before I could ask a question, or even begin to ask a question, the Senator would answer it, and therefore the yielding did not amount to anything.

Mr. HILL. If the Senator will further yield, I believe that if the Senator will look at yesterday's proceedings he will find that I yielded very liberally and freely to the Senator from Tennessee.

Mr. McKELLAR. The Senator yielded; but he did not wait until I asked a question before he answered it.

Mr. President, practically all the principal dams on the Tennessee River have been completed. The notable exceptions are the dam at Gilbertsville, Ky., and the Fontana Dam. The Congress authorized the construction of the Watauga Dam and the South Holston Dam in upper east Tennessee. However, Mr. Lillenthal and his associate in the work, Mr. Krug, who had been loaned or transferred to the W. P. B., "cooked up" an arrangement by which it was to appear that the W. P. B. did not have the materials to permit these two dams to be constructed. However, in some remarkable way, it was found that the construction of the Fontana Dam, which was preferred by Mr. Lillenthal, could continue.

Mr. President, provision is made in the bill for the continuance of the work on all these dams except the two which I have named, the construction of which has been stopped by the W. P. B.

Mr. President, as I have stated, it is estimated that the income from the sale of power and fertilizer during the coming year will be nearly \$70,000,000. I need not repeat that the undertaking is a large one and that the Government has more than three-quarters of a billion dollars invested in it. In my judgment, it is time for the Government to reap some of the benefits. At present the project is under the absolute domination and control of one single man, whose name is David Eli Lillenthal. At the present time Hitler has no more complete control over Germany than has Mr. Lillenthal over the dams of Tennessee.

That can hardly be better illustrated than by a letter I received Friday from a constituent, which I shall now read:

DEAR SENATOR McKELLAR: I see where you have stated that Mr. Lillenthal had absolute power over the T. V. A.

I recall last February, a year ago, there were negotiations at Johnson City, Tenn., between Mr. Lillenthal and the East Tennessee Light & Power Co. looking toward the sale of the light and power company to the T. V. A. I was interested in getting T. V. A. power for Johnson City and in that connection we held an intercity meeting at the John Sevier Hotel in Johnson City to talk it over with Mr. Lillenthal. I asked him the plain question if he had the authority and money to buy the plant and pay the amount agreed upon. A price of \$11,000,000 had been discussed. He said "Yes"; he had absolute right and power to make the purchase if and when the price was agreed upon. I also asked him if he had to consult anyone else, and he said "No."

That shows the way the T. V. A. is operated. It is operated by this one man.

Yesterday several questions arose for which I was sorry. I wish to show the Senate—and I think I can do so very quickly—the real and substantial reasons why Mr. Lillenthal should not have the power to establish a revolving fund, taking in money and pay it out as he pleases. As I have said, it is not done in other cases. Why should it be done in the case of the T. V. A.? Mr. President, I wish to invite attention to what has happened heretofore.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LANGER. How large a bond is this man under?

Mr. McKELLAR. He is under no bond whatever. He is an appointee.

Mr. LANGER. I know that he is an appointee, but has he put up a bond?

Mr. McKELLAR. He has put up no bond whatever. He has under his control more than three-quarters of a billion dollars of the American people's money. He is receiving \$75,000,000 a year from power and from the manufacture of fertilizer, and he has control of the money without let or hindrance.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. Is it not also true that while he holds this office without any bond, there is no accounting or auditing by the Comptroller General's Office?

Mr. McKELLAR. There is auditing and accounting by the Comptroller General's Office. However, I wish to say that the T. V. A. officials pay very little attention to the recommendations made by the Comptroller General's Office. I had an investigation made of that matter, and I found that the last report of the General Accounting Office included a number of suggestions which were rejected by Mr. Lillenthal, who controls the T. V. A. He does not want any interference of any kind, or anyone to say him nay about anything.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AIKEN. I understand that the T. V. A. is audited by the General Accounting Office. I should like to ask the Senator from Tennessee if, to his knowledge, the General Accounting Office has ever reported to the Congress, as required by law, any irregularities,

shortages, or mispending of funds if such conditions exist.

Mr. McKELLAR. No; it has not done so insofar as I know.

Mr. President, I shall give reasons why we should ask that these funds be not paid to Mr. Lilienthal, and that the Congress itself hold its hand on this activity.

At this point I desire to let the Senate know more particularly who this man Lilienthal is. I have an idea that Lilienthal when first appointed 8 years ago, was from Wisconsin. I had never heard of him before, and I do not now know anything about his early history. I only know concerning his history since he has been on the T. V. A. The Authority was established in 1933. One of the first dams built by the Authority, as the older Members of the Senate will recall, was the so-called Norris Dam. In buying the property for that dam, Dr. A. E. Morgan, the then Chairman of the T. V. A., made very specific charges of fraud against Lilienthal.

On March 4, 1938, Dr. Morgan gave out an interview to the New York Times in which he said it was his responsibility "to fight for certain decencies and proprieties in public life which are more important to good government than any particular Government program. The * * * marble case presents an instance of this difficulty."

In reference to the so-called marble cases there are some Senators now present who were here when the marble cases were very prominently before the country. Several gentlemen had bought up the mineral rights under the lands taken for the Norris Dam. They bought those rights for a few hundred dollars, and then, as I remember, undertook to sell them to the Authority for five or six million dollars, claiming that marble was under the whole Valley, and that they were being deprived of their right to quarry it. There was a terrible furor about the matter, as Senators will recall, and finally there was quite a division of opinion in the Authority itself. Two members of the Authority wanted to compromise and settle with the claimants. One of them was Mr. Lilienthal, and the other was Dr. H. A. Morgan. Dr. A. E. Morgan, the then chairman of the Authority, felt differently, and considerable feeling concerning the matter arose between Dr. A. E. Morgan and Mr. Lilienthal. I wish to read what Dr. Morgan and others said. By the way, I shall include in my statement a number of excerpts which I think Senators will find interesting. One is from a statement by the Senator from Michigan [Mr. VANDENBERG]. Dr. Morgan said:

To a steadily increasing degree I have contended with an attitude of co-spiracy, secretiveness, and bureaucratic manipulation * * * the public has been steadily, and I believe, purposely, led to believe that the difficulties within the Tennessee Valley Authority have been due primarily to differences as to power policy or to just another "family quarrel."

Mr. AIKEN. Mr. President—

Mr. McKELLAR. I will yield in a moment.

Mr. AIKEN. I should like to ask to which Dr. Morgan the Senator refers?

Mr. McKELLAR. I refer to Dr. Arthur E. Morgan. He continued:

The real difficulty has been in the effort to secure honesty, openness, decency, and fairness in government.

The New York Times printed an article quoting Dr. Morgan:

There is a practice of evasion, intrigue, and sharp strategy, with remarkable skill in alibi, and the habit of avoiding direct responsibility, which makes Machiavelli seem open and candid, * * * and man to man directness was a mask for hard-boiled, selfish intrigue.

And again:

The marble claims, in my opinion, were an effort at deliberate bare-faced steal.

Deliberate, bare-faced—a steal!

Here is a man's associate on a commission, on a governmental authority stating that his colleague was engaged in a conspiracy, in a bare-faced steal. Has that statement ever been denied by the man to whom it was directed? If there is a Member of the Senate who has ever heard of a denial of that statement by Mr. Lilienthal, I should like to hear from him.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. HILL. The Senator from Tennessee is now talking about the old marble deal?

Mr. McKELLAR. Yes; and what is needed is honesty, whether in reference to marble or anything else.

Mr. HILL. Exactly; I agree with that; honesty is first and foremost, but the Senator ought to tell the Senate that the Senate of the United States and the House of Representatives set up a joint committee, the chairman of which was the then Senator from Ohio, Senator Donahay.

Mr. McKELLAR. That is true.

Mr. HILL. And on that committee were some of the most distinguished Members of the Senate and House of Representatives. They investigated T. V. A.; they investigated the marble case to which the Senator refers, and after weeks and months of investigation, of testimony, of hearings, and of consideration that committee gave the T. V. A. a clean bill of health in the marble case. As the Senator well knows there was a feud between Dr. Arthur E. Morgan, who made all these charges against Mr. Lilienthal, but, after making these charges Dr. Morgan could not substantiate them before the special committee of the Senate and the House.

Mr. MEAD. Mr. President, may I interject a statement?

Mr. HILL. The Senator from New York was a member of that committee.

Mr. McKELLAR. I shall yield in a moment; I desire first to answer what the Senator from Alabama has said. He talks about a feud. Every friend of Mr. Lilienthal and all the newspapers talk about his feud with me. Heaven knows, I have no feud with Mr. Lilienthal. The only thing I require of Mr. Lilienthal is

common honesty in the administration of the affairs of his office, and as, in great degree, I caused the Congress of the United States to erect the dams in my State and in the neighboring State of Alabama, I would be derelict in my duty if I did not bring to the attention of the Senate what I know and what I will prove before I conclude concerning these matters. This is the first one of the items, but I have several others, showing exactly what this man's conduct has been all the time. He does not deny anything. He did not deny anything in the hearings before the Donahay committee, of which the Senator from New York [Mr. MEAD] was a member. Did he come onto the stand and deny these statements?

Mr. MEAD. Mr. President, will the Senator yield?

Mr. McKELLAR. Will the Senator answer that question?

The PRESIDING OFFICER (Mr. DOWNNEY in the chair). Does the Senator from Tennessee yield to the Senator from New York?

Mr. McKELLAR. I yield.

Mr. MEAD. He did not while I was in attendance on the committee.

Mr. McKELLAR. He did not testify at all. He merely let the charges go off as best they could, but he did not answer his colleague, and he never has answered him. It is not his method of doing business to answer charges made against him, and he has not done it.

Mr. MEAD. Mr. President—

Mr. McKELLAR. I yield to the Senator from New York.

Mr. MEAD. As a member of the committee that investigated T. V. A., I merely wanted to say, as indicated by my distinguished colleague the junior Senator from Alabama [Mr. HILL], that we visited the area of operations and went completely into all the charges. I recall very distinctly—and I should say this first—the splendid work done by the senior Senator from Tennessee in the matter of securing appropriations for the construction of the dams in the early period of the T. V. A. history. I also remember that with meticulous penetration we went into the marble deal and other deals, and in the final report, which is available to Members of the Senate, we gave the Tennessee Valley Authority a clean bill of health.

Mr. McKELLAR. I shall be very happy to show it to anybody who wants to read it, and I will guarantee that any Senator who has not already made up his mind who will take the report and study it will be obliged to come to the conclusion that this man was guilty.

The Senator from New York, my good friend who serves with me on the Committee on Appropriations, knows how this thing has been managed for years. He says that this man was given a clean bill of health. He did not even appear before the committee. Here is a man charged with stealing, charged with fraud, charged with the highest wrong, and he did not have the manhood to appear before the committee and say that he was not guilty. He did not come.

He was given a clean bill of health without ever appearing.

Now, let me read further:

Arthur E. Morgan made extensive and unequivocal charges of dishonesty and lack of integrity in public office.

Of course, if this man had gone into any claims and had paid to the claimants for a claim of a few hundred dollars a few million dollars, we all realize that there was something unusual about it.

Senator VANDENBERG said:

It is impossible to turn aside * * * the charges of * * * Dr. Arthur E. Morgan * * * about lack of honesty in the expenditure of half a billion dollars.

I quoted Senator Norris the other day, but my attention has been called to the fact that I did not quote him sufficiently, and I shall now quote further what Senator Norris said about this matter. I do that in justice to Senator Norris, who is no longer a Member of this body. On March 8, 1938, which was about 6 years ago, Senator Norris said:

Mr. President, Dr. Arthur Morgan has spread this story all over the United States. People generally have an idea, and perhaps many Senators have an idea, that when these claimants, and Mr. Lilienthal, and the other Morgan, were about to rob the Government of millions of dollars—

This is Senator Norris speaking—

were about to rob the Government of millions of dollars, Dr. Morgan stepped in and called a halt, and saved the day.

That is what I read the other day. I have been asked to read a little farther from the same place, and I do so, as follows:

He did not do anything of that kind. I suppose he was suspicious. I think he has reached such a stage in his mentality that if he saw Lilienthal going to church he would charge him with being treasonable, because he would say, "He is trying to fool God Almighty."

Now I have read it all.

At that time the newspapers seemed to take the view that a case of fraud was involved. The Chicago Journal of Commerce, for example, stated:

Bluntly, Dr. Morgan charged that only his intervention had prevented the consummation of an agreement whereby his two colleagues would have permitted * * * (the marble interest) to exploit, hold up, and defraud the Government.

Mr. President, I believe this is as far as I care to go into that phase of the matter.

I feel I should say here that Dr. H. A. Morgan, a Canadian by birth who moved to Knoxville, Tenn., many years ago and was for a time president of the State university at Knoxville; is a kindly and good man. These charges were not aimed at him primarily. They were aimed at Lilienthal. The only charge made against Dr. H. A. Morgan was that he was being misled by Lilienthal. Since that time and prior to 1939 there was an investigation made by a Senate committee and all of these matters were gone into. It does not appear that Lilienthal ever denied the charges or affirmed them but just left them where they were. The Senate committee stated the facts but apparently did not have Lilienthal before

the committee. At all events, in the record that I received there was no evidence given by Lilienthal. It was not shown whether he was guilty of the charges or not, but so far as this record shows he did not deny the charges that his colleague A. E. Morgan made against him. The Senate committee simply said the charges had not been proved and let it go at that. Dr. A. E. Morgan was asked to resign for other reasons and Lilienthal was put in his place and has been in his place ever since. Lilienthal has been before our committee a great many times. Every word that Dr. Morgan said about his secretiveness, williness, lack of frankness, and lack of openness, is absolutely true. That he is a scheming, designing, and falsifying official of the Government there can be no doubt. That is the kind of a man we are dealing with. That is the kind of a man we have given \$750,000,000, at the lowest estimate, of the Government's money, or property worth that, which brings in an income of at least \$68,000,000 a year, and without requiring anything of him, just letting him take the receipts and run the matter to suit himself.

By the way, I have received two letters in the last day or so which show that Mr. Lilienthal recently bought a tract of land in Williamson County, Tenn., not very far from Muscle Shoals, containing phosphate rock, which can be extracted from the ground and made into fertilizer. I suppose he had an idea that the fertilizer plant at Muscle Shoals would be used for that purpose. I forget the number of acres involved, but, as I recall, it was about 800 or a thousand. Without ever saying a word to Congress, without ever asking "By your leave," without ever mentioning it or reporting it to Congress—it has not been reported yet, but came to light since this matter arose—he bought for \$678,459.80 a tract of land supposed to be phosphate land, which cost the phosphate concern from which he bought it about \$139,000. In other words, he bought it for over \$500,000 more than the concern had paid for it. That is not a matter of policy, such as my distinguished friend from Alabama was discussing yesterday; it is a matter of just everyday action. The same is true of another tract of land, not so large, which he has recently bought in Maury County.

Mr. HILL. Will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. HILL. The Senator is talking about the phosphate lands.

Mr. McKELLAR. Yes.

Mr. HILL. I have here before me the report of the joint committee investigating the Tennessee Valley Authority, and at this point, if the Senator will yield, I think I shall read into the RECORD the names of the men who constitute this committee.

Mr. WILEY. What is the date of the report?

Mr. HILL. This report was made during the Seventy-sixth Congress, first session, by the joint committee which made the investigation in 1938. The membership of that committee was:

Vic Donahey, Senator from Ohio, chairman.

H. H. Schwartz, Senator from Wyoming.

JAMES M. MEAD, Senator from New York.

Lynn J. Frazier, Senator from North Dakota.

JAMES J. DAVIS, Senator from Pennsylvania.

Graham A. Barden, Representative from North Carolina.

R. E. THOMASON, Representative from Texas.

THOMAS A. JENKINS, Representative from Ohio.

CHARLES A. WOLVERTON, Representative from New Jersey.

Mr. President, that was the membership of the committee which made this investigation. They investigated the purchase of these phosphate lands, and let us see what they said about it, if the Senator will yield for a moment. I read from page 216 of the report of this joint committee of the two Houses of Congress. It says:

Tennessee Valley Authority phosphate land purchases.

That is the headline.

The Authority's fertilizer production requires a continuous available supply of phosphate rock or matrix. In the beginning the Authority obtained rock by contracts with individual landowners and by leasing small tracts of phosphate land. Some ore was purchased from commercial companies. These methods proved unsatisfactory. The average cost of rock having a 52 percent content of b. p. l. (bone phosphate of lime) was about \$2 a ton at the mine, and an adequate tonnage could not be secured. The Authority therefore set out in 1936 to acquire phosphate lands of its own. A total of 2,986 acres have been acquired, containing estimated phosphate rock deposits of 15,065,800 tons. Purchases were made under the supervision of Dr. Harry A. Curtis, formerly head of the Authority's Department of Chemical Engineering and at present dean of the school of engineering at the University of Missouri.

I shall not read all the details, but I think this is germane—

Mr. WILEY. I understood the Senator from Tennessee referred to recent purchases.

Mr. McKELLAR. Certainly.

Mr. WILEY. The Senator from Alabama is referring to 1938.

Mr. McKELLAR. I am referring to recent purchases. I shall read the letter.

Mr. HILL. Very well.

Mr. McKELLAR. The letter reads:

On the registry books of Williamson County, Tenn., there is no evidence that the Tennessee Valley sold any properties to the Monsanto Chemical Co. There is evidence that the International Agricultural Corporation, incorporated in the State of New York, through their branch office at Columbia, Tenn., sold and transferred mineral rights in Williamson County, Tenn., to the Tennessee Valley Authority, in the name of the United States of America, for the sum of \$678,459.80, which transfer is recorded in book 71, pages 319 and 324, on August 7, 1937. These properties were purchased in 1934 by the International Agricultural Corporation for the sum of \$139,597.50. In this transaction you will see that the Government paid \$538,862.30 more than the original amount paid by the International Agricultural Corporation.

Mr. HILL. Will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. HILL. I will say the transactions to which the Senator refers are the identical transactions which the joint committee investigated.

Mr. McKELLAR. How in the name of heaven—

Mr. HILL. I can tell the Senator how in the name of heaven—

Mr. McKELLAR. Wait a moment. I hope the Senator will not follow the method he pursued yesterday. Yesterday whenever I would seek to interrupt the Senator would say "Yes; I yield," and then would proceed to interrupt me, so I did not get any satisfaction in my attempt to ask questions of my friend. I hope he will let me make this statement.

It does appear that this purchase was made in 1937, and the joint committee may have passed on the matter, but no committee could explain how this corporation bought from a phosphate company lands for which the phosphate company had a year or two before paid \$139,000, at the enormous price of \$780,000, in excess of a half a million dollars more than the phosphate company itself paid.

Mr. HILL and Mr. WILEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I yield first to the Senator from Alabama, but I hope the Senator will not read long excerpts.

Mr. HILL. Let me say to the Senator, if I may—and I do not wish to impose upon him—that he brings up this question of phosphates as if there were something terribly wrong about it.

Mr. McKELLAR. I do not think it is terribly wrong, I think it is damnably wrong, and committed by Lilienthal against this Government.

Mr. HILL. This is the point to which I wish to call the Senator's attention. Whatever may be the opinion of the Senator from Tennessee—and of course he has a right to his opinion—the committee which was created to make the investigation certainly did not find it "damnably wrong," and they went into it thoroughly.

Mr. McKELLAR. They did not excuse it.

Mr. HILL. Just a moment. I am going to read from the report.

Mr. McKELLAR. No; I object to the Senator reading in my time.

The PRESIDING OFFICER. Does the Senator from Tennessee yield?

Mr. McKELLAR. I am unwilling to have the Senator stand here and read the report of a committee which whitewashed this man Lilienthal several years ago.

Mr. HILL. Then the Senator's colleagues in the Senate and the House were guilty of a whitewashing job?

Mr. McKELLAR. Oh, no.

Mr. HILL. That is what the Senator said. Of course, if the Senator thinks these splendid Senators and Members of the House who were members of this committee merely went to work to whitewash and did whitewash the T. V. A., I

do not suppose he wants to know the facts.

Mr. McKELLAR. That is a very unfair statement, but I will let it stand just as it is, if the Senator will permit me to proceed for a few moments. The Senator addressed this body yesterday afternoon for 2 or 3 hours. Will not the Senator permit me to say a word or two? Will the Senator be gracious enough, kindly enough to permit me to submit the facts in this case without undertaking to read some balderdash from some committee report of 20 years ago?

The PRESIDING OFFICER. The Senator from Tennessee indicates that he does not desire to yield further at this time.

Mr. HILL. The Senator from Alabama is not asking the Senator to yield.

Mr. McKELLAR. When the Senator has a question I shall be delighted to yield to him at any time, but I do not yield to him so he may read a book.

I now come to the second matter, and I want to read from a book, but it will not be long. I read from the Annual Report of the Tennessee Valley Authority. In other words, I am reading Mr. Lilienthal's own language. It appears on the second page of the report. He is telling what the Tennessee Valley Authority has done:

Returned—

I am reading his own language now—

Returned \$13,148,000 of net income to the United States Treasury.

What would anyone reading that language infer? To anyone on earth who reads it it would mean that Lilienthal had, out of the net income, paid over into the Treasury as general receipts \$13,148,000. Did he do it? He appeared before our committee and I asked him if he had paid it in. He said "yes." I said "When did you pay it in?" Well, he could not tell when. But, boiled down, he finally said that he had a private account and when I say "he" I mean the T. V. A., because he is the T. V. A. He said the T. V. A. had a special account in which it had put all its money. I asked him, "Was this paid to the Government?" "Oh, yes; this \$13,148,000 was paid to the Government." "Well," I said, "I happen to have a statement from the Treasury saying they have received no money at all from you as general receipts."

When he was thus confronted, he said, "Well, I put that in my own account."

Mr. President, is that paying it into the Treasury? Is there any one Senator present who would for a moment contend that that was paying a part of the net receipts in to the Government of the United States? It was a blind. It is what bankers call window dressing, but it is what I call plain falsification. Mr. Lilienthal wanted to curry favor with the Congress, and he made a false statement about it, and when confronted with it he had to admit it.

I telephoned the Treasury Department and asked if they had received any such sum from the T. V. A. and I was told over the phone that they had not. I asked

the Treasury to write me a letter showing that fact as they stated it. In writing the letters the Treasury got it mixed up with an account that the T. V. A. has with the Treasury. In other words, the T. V. A. uses the Treasury as a bank and has its funds put in a specific account. Of course, that fund is a special fund and is subject only to a check of the T. V. A. The two letters tried to explain this account. I thereupon summoned Mr. Daniel W. Bell, Under Secretary of the Treasury, to appear before the committee and I asked him the direct question as follows:

Senator McKELLAR. Mr. Bell, last year the T. V. A. reported that it had paid into the Treasury of the United States \$13,148,353. I want to ask you this question: Has the T. V. A. paid into the Treasury of the United States as a part of the general receipts of the Treasury \$13,148,353 or any other sum during the year 1943? What I wish you to do, Mr. Bell, is to answer "yes" or "no," then you may make any explanation you wish about it.

Mr. BELL. The T. V. A. did not deposit into the Treasury during the fiscal year 1943 any money that became a part of the general revenue of the Government.

It is thus seen that in making a report to the Congress of the United States Lilienthal was specifically falsifying about paying any money into the Treasury. No one on earth could read that testimony and think that Mr. Lilienthal was telling about making deposits in the T. V. A.'s special account with the Treasury. Anyone in reading it would have, of course, concluded that Lilienthal had paid into the general fund of the Treasury \$13,148,353 when he had done nothing of the kind.

Is that the kind of man to whom we want to turn over the Tennessee Valley Authority? Is that the kind of a man to whom we want to turn over, without let or hindrance, an income amounting to between \$68,000,000 and \$70,000,000 a year? Is that what we want to do?

Mr. President, I was instrumental in having the Government put its money in the T. V. A. project. I wish to say, right here and now, at this point, that most of it was done over the lobbying of this man Lilienthal. That brings me to another point in this matter.

In 1934, after the Norris Dam had been started, and after the Wheeler Dam had been started, Dr. A. E. Morgan and Lilienthal seemed to have been together at that time—it was before Dr. Morgan called him a thief and said he was defrauding the Government—and they fixed a policy. The Senator from Alabama [Mr. HILL] says that the Congress fixes the policy. They did not allow the Congress to fix this policy. They fixed the policy of a yardstick. They said that they were not in competition with private industry, that they were not in competition with the private power companies; that all they wanted to do was to furnish a yardstick by which the power companies would know how much it would cost to make water power, and therefore fix their rates based on the cost. Senators know how many power companies would pay any attention to such a yardstick thus established by the Government. Yet they wanted to fix

a yardstick, and they did not want any other dams to be built. So when the matter of the next dam came up they did not make any recommendation to the President. The President did not make any recommendation to the Congress. The House did not provide in the bill of that year for any dams.

But when the bill came to the Senate, as my distinguished friend, the Senator from Maryland [Mr. TYDINGS], will recall, for he was on the committee at the time, I offered an amendment providing for the Pickwick Landing Dam. That was the first dam provided for. We paid no attention to the yardstick. We paid no attention to the question of recommendation. That provision was adopted by the Senate and was adopted in the House, and that dam was built. That is how the dam came to be built.

Next year they still were fighting for their yardstick, and they came to Congress. They did not recommend that any more dams be built. The President did not recommend that any more dams be built. The House did not recommend that any more dams be built. But when the matter came over to the Senate I was one of those unfortunate ones who offered an amendment to provide for building the Guntersville (Ala.) Dam, in my friend's own State, the Chickamauga Dam near Chattanooga, the Hiwassee Dam not far from Chattanooga, and the Gilbertsville Dam in the State of my distinguished friend here the Senator from Kentucky [Mr. BARKLEY].

Lilienthal and Dr. Morgan came up and lobbied against those amendments. They went around and button-holed the various members of the Appropriations Committee and urged them not to vote for the amendments, stating that they had another policy, and they did not want those dams built; that the President had not recommended them, and the House had not recommended them and, therefore, they did not want them built. I remember that I had to say to them that they were lobbying here with the members of the committee who were passing on the matter, and they would have to get out of town or I would denounce them on the floor of the Senate for being here lobbying against the building of those dams.

We began to build three of the dams that year. We obtained appropriations for them. The next year the Gilbertsville Dam, located in the State of my distinguished friend, the Senator from Kentucky, who is now opposing me, who is standing with Lilienthal in this matter, was begun. I got that dam built the next year. I am looking into the face of my friend, the senior Senator from Maryland [Mr. TYDINGS], who was on the committee at the time, and I am sure he will vouch for everything I say about the matter.

At any rate, the next year I got the Watts Bar Dam built, in the same way—over their protest. And the next year I got the Fort Loudoun Dam built, in the same way—over their protest. And the next year I got the Cherokee Dam, in Tennessee, built, in the same way—over their protest.

The only dam Lilienthal ever favored, so far as I have ever heard, was the one known as the Douglas Dam. The water backed up by it covered one of the most beautiful valleys in the State of Tennessee. That is the only dam Lilienthal ever favored, so far as I know.

I got the Congress of the United States, beginning in the Senate, to build those dams at great cost; and I would be untrue to every principle of right and justice if I were willing to turn the Tennessee Valley Authority over to a man who opposed those dams, who worked against them, who lobbied against them, who fought against them in every way in the world. Yet he has circulated all over Tennessee the statement that I am opposed to the Tennessee Valley Authority and to the Tennessee dams—a statement as false as the falsest statement ever made by any human being. A man who has such a small idea of truth undertakes to show to the people of my State in my absence that I am opposed to the T. V. A. when I have used the best years of my life in the building of these dams over the active lobbying of Lilienthal and his cohorts.

Dr. Morgan called him a Machiavelli. I say that he is simply a common, sneaking, infamous falsifier. I would use a harsher word if I were not here in the Senate.

I first worked for the building of those dams when I sat as a Member of the House of Representatives, in 1916.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. I merely wish to bear witness, as a member of the Commerce Committee, to the fact that not only did the Senator from Tennessee sponsor and stand for the Tennessee Valley Authority, but he came before the Commerce Committee and tried to strong-arm us into setting up a Cumberland Valley authority, too.

Mr. McKELLAR. Yes; I applied for that, but I was not so successful in that case as I was in the other cases.

However, having been successful in my efforts to have the dams built in the Tennessee Valley, I certainly do not like to be charged with being opposed to the dams by the very man who was in Washington fighting against their construction. I have fought for something affecting those dams almost every hour of the day since way back yonder in 1916.

Mr. BONE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BONE. Let me suggest, in view of the experience the Senator from Missouri has had in his own State with the Union Electric Co., in St. Louis, that it might have been a good idea to have had a Cumberland Valley authority.

Mr. McKELLAR. Mr. President, since the able Senator from Washington has interrupted, I should like to say to him that the late Senator McNary, God bless his memory, came to me during one of those fights and told me he was interested in the construction of some dams in Oregon, and that he wished to have my help. If ever one man helped another,

I helped the late Senator McNary in connection with those dams, both in the adjoining State and in the Senator's own State; because the Grand Coulee Dam is located in the State of the Senator from Washington [Mr. BONE], and the Bonneville Dam is in the late Senator McNary's State.

So, Mr. President, I wish to say that the statements which have been made about me in Tennessee—as to my being opposed to those dams—are malicious falsifications made by the oily, eely, designing, corrupt man who is now in charge of them.

By the way, Mr. President, someone said he was to be appointed Chairman of the Interstate Commerce Commission. God save the railroads if Lilienthal is ever appointed Chairman of that Commission.

I have been working for dams along the Tennessee River for 30 years. During that time I have had the opposition of nearly all the newspapers, all the power companies, and many of the big interests. In addition to that, whenever anything good arises concerning those dams, the credit for it is immediately claimed by others. It has been so during the entire 30 years.

I wish to give as succinctly as I can the history of the building of those dams. It will take me only a moment or two to do so. In 1915 and 1916 I was a Member of the House of Representatives. I recall distinctly that the whole world seemed to be going topsy-turvy. On every side one could hear rumblings of war. The *Lusitania* had gone down, and the whole world was talking about it. During the time when those rumblings became greater, the Honorable James Hay was chairman of the House Committee on Military Affairs. S. Hubert Dent, of Alabama, was second in seniority among the members of the committee, and I was third. E. B. Almon was a new Member of the House of Representatives from the Muscle Shoals district of Alabama, and was a fine old gentleman. The elder John H. Bankhead and Oscar W. Underwood were the two Senators from Alabama. In 1916, when President Woodrow Wilson sent for our committee and told us that the country was in grave danger and that it was absolutely necessary for us to prepare the Army for the defense of our country, we, of course, knew that the *Lusitania* had been sunk and that Germany was on the rampage. We fully entered into the matter with the President. At that time in the House the Committee on Military Affairs, presided over by Mr. Hay, of Virginia, and of which I was a member, made the appropriations for the War Department. By the way, Mr. President, I should like to call attention to the fact that that is no longer the practice. The rule was changed in 1920. However, at that time the House Committee on Military Affairs prepared the appropriation bills for the War Department, insofar as the House was concerned, after having heard the testimony. It was then that I became a vigorous, earnest, and active advocate

of having the Government build a dam at Muscle Shoals.

Mr. President, the situation in respect to the building of public dams at that time was very different from what it now is. At that time the power companies reigned supreme in this country. They did not brook any interference; and a man was regarded as extreme in his views, indeed, if he believed in public ownership. If it had not been for the First World War, we could never have built the dam at Muscle Shoals.

At that time it was deemed necessary to have a full supply of nitrates, and it was believed that the best way to obtain nitrates was by the use of water power. Naturally, there were many undeveloped water-power sites in our Nation at that time. The most notable ones, except for Muscle Shoals, were in Oregon and Washington, as I stated a moment ago to the Senator from Washington [Mr. BONE]. Senator George E. Chamberlain was a United States Senator from Oregon. When I proposed the measure in the House of Representatives, we wanted to locate the dam at Muscle Shoals; and, if I remember correctly, we provided that it be located at Muscle Shoals. Then the bill went to the Senate. When the bill went to conference, it was found that there was such a difference of view between the conferees of the two Houses as to where the dam for the manufacture of explosives in time of war should be located that it became necessary to agree to strike out of the bill all reference to location, and to have the bill provide for delegation to the President of the task of selection of the site. The President was to select whatever site he might deem most appropriate.

The bill became law on June 3, 1916. At this point I shall read section 124 of the law, which gives its full terms, and shows that our committee not only authorized the dam, but that Congress appropriated the money in the same bill for the purpose of building the dam. Section 124 reads as follows:

SEC. 124. Nitrate supply: The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as in his judgment is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if in his judgment such means is best and cheapest, such site or sites, upon any navigable or nonnavigable river or rivers or upon the public lands, as in his opinion will be necessary for carrying out the purposes of this act; and is further authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment or other means than water power as in his judgment is the best and cheapest, necessary or convenient for the generation of electrical or other power for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

The President is authorized to lease, purchase, or acquire, by condemnation, gift,

grant, or devise, such lands and rights-of-way as may be necessary for the construction and operation of such plants, and to take from any lands of the United States, or to purchase or acquire by condemnation materials, minerals, and processes, patented or otherwise, necessary for the construction and operation of such plants and for the manufacture of such products.

The product of such plants shall be used by the President for military and naval purposes to the extent that he may deem necessary, and any surplus which he shall determine is not required shall be sold and disposed of by him under such regulations as he may prescribe.

The President is hereby authorized and empowered to employ such officers, agents, or agencies as may in his discretion be necessary to enable him to carry out the purposes herein specified, and to authorize and require such officers, agents, or agencies to perform any and all of the duties imposed upon him by the provisions hereof.

The sum of \$20,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available until expended, to enable the President of the United States to carry out the purposes herein provided for.

The plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital.

In order to raise the money appropriated by the act and necessary to carry its provisions into effect, the Secretary of the Treasury, upon the request of the President of the United States, may issue and sell, or use for such purpose or construction hereinabove authorized, any of the bonds of the United States now available in the Treasury of the United States under the act of August 5, 1909, the act of February 4, 1910, and the act of March 2, 1911, relating to the issue of bonds for the construction of the Panama Canal, to a total amount not to exceed \$20,000,000: *Provided*, That any Panama Canal bonds issued and sold or used under the provisions of this section may be made payable at such time after issue as the Secretary of the Treasury, in his discretion, may deem advisable, and fix, instead of 50 years after date of issue, as in said act of August 5, 1909, not exceeding 50 years.

That language was incorporated in an amendment which was agreed to and became a part of the bill. After the bill had been passed, Representative Hay, our chairman, and I went to see the President of the United States, Woodrow Wilson, and pled with him to choose Muscle Shoals as the site of the dam. Senator George E. Chamberlain earnestly pled with him to choose a site in Oregon. During the talk I had with President Wilson in favor of Muscle Shoals, he agreed that the dam should be built at Muscle Shoals; and it was built there.

Of course, while I was most active and vigilant in securing the location of that dam at Muscle Shoals, because I knew or hoped I knew what it would mean for the entire river, it was the action of President Wilson that started the first improvement on that river, just as I have related.

My recollection is that at that time both Senators BANKHEAD and Underwood were opposed to what was known as public ownership of power.

Mr. President, that dam was not completed when the war ended, although it was about completed. After the war,

and after President Harding was elected, efforts were made by Senator Smoot, of Utah, and others, to scrap the Wilson Dam. There ensued a fight, which lasted from 1921 until 1933, over what was to be done with Muscle Shoals, as it was then called. Henry Ford made an offer for it, and his offer for it galvanized the dam as a living thing, again; and it was finally completed.

So, Mr. President, I say that when men talk about my opposition to the T. V. A., their statements to that effect are absolutely untrue. I am not opposed to the T. V. A. Heaven knows I think it is one of the greatest institutions in the world today. I am in favor of running it in the interest of the Government; I am in favor of everything connected with it, except the devious, eellike, oily machinations of this man Lillenthal. I think he ought to be dismissed. More than a year ago I told the President of the United States that he ought to be dismissed, and I thought he was going to be, but he has not been. The purpose of this bill is to make him do the right thing with the proceeds as he collects them.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. MCKELLAR. I yield.

Mr. WILLIS. Is the dam at Muscle Shoals the same as the Norris Dam?

Mr. MCKELLAR. No. The Norris Dam is on the Tennessee River at Cove Creek, not far from Knoxville. Wilson Dam was the first dam that was built. It was not built under the T. V. A. at all. It was built under the original law, which I have just read, the one which I initiated in the House of Representatives 28 years ago.

Mr. WILLIS. I thank the Senator.

Mr. BANKHEAD. Wilson Dam is at Muscle Shoals.

Mr. MCKELLAR. Yes. Wheeler Dam is just above it, in Alabama.

In this connection, Mr. President, I should like to tell the Senate about another remarkable thing. I have already said that the Treasury stated that Lillenthal had never paid in a thin dime to the Government of the United States. He is talking about what he does for the Government of the United States. With the expenditure of all this money, and with an income of \$70,000,000 for the T. V. A., he has not paid a thin dime to the United States. He admits that his receipts are \$8,000,000 more than his expenditures, but he puts that in a reserve fund for the use of Lillenthal, not for the use of the Government. We need this money as never before. Eight million dollars would help to some extent, but Mr. Lillenthal has never paid in a red cent.

Let me call attention to another matter. There is no income tax from this privately owned property. Mr. Lillenthal does not pay any income tax to the Government from this property. The Government receives nothing from it. If it were a private company it would have to pay an income tax, but Mr. Lillenthal operates it as a private company. He has written a learned article, which I will place in the RECORD, in which he

states that he is in favor of a grass-roots administration of this activity, away from Washington, away from the center of everything. It must be operated down there, he writes. It must not be operated from Washington at all. Politicians might disturb it or distress it. He says that it must be given over to his tender mercies, and he has never paid a dime to the Government of the United States.

When the T. V. A. bill was under consideration I secured an amendment requiring the T. V. A. to pay 5 percent of the gross receipts from the dams in Tennessee to the State of Tennessee in lieu of taxes, and 5 percent of the receipts from the dams in Alabama to the treasury of the State of Alabama in lieu of taxes. The State of Tennessee is today receiving between \$250,000 and \$300,000 a year from that tax fund, but the United States Government is not receiving a red cent. Mr. Lilienthal is placing it to his private credit in the Treasury of the United States. Is that fair? Is that just?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. The Senator says that Mr. Lilienthal is placing the receipts from the T. V. A. to his private credit. Does the Senator contend that that money is not going into the special fund established by Congress, in which the T. V. A. is ordered by Congress to deposit that money?

Mr. McKELLAR. No. What I mean to say is that Lilienthal is the T. V. A. That money is not paid into the special fund by direction of Congress, but by reason of a recent agreement between certain Members of the House, I believe, and Lilienthal, it is required to be placed to the credit of the T. V. A., a special credit in the Treasury. The Treasury is used as a bank, in place of other banks, but Lilienthal has absolute control of the fund. Not a dime of it can be used by the Government of the United States.

Mr. BARKLEY. The Senator says that Mr. Lilienthal has control of it. There are three members of the Board. Any two of them, of course, could control the actions of the Board. When the Senator says that Mr. Lilienthal controls it, he means that Mr. Lilienthal controls the other two members of the Board. At least two of them must vote in order to adopt any kind of policy.

Mr. McKELLAR. That is true.

Mr. BARKLEY. We established the special T. V. A. fund in the Treasury. The money does not go into the general fund of the Treasury, and never has gone into the general fund of the Treasury. That is what the Senator meant when he said that the T. V. A. had not paid anything to the Government of the United States. Of course it has not. It has paid it into the special fund created by Congress.

Mr. McKELLAR. Lilienthal stated that it had been paid into the general fund. He was not telling the truth.

Mr. BARKLEY. It went into the Treasury, but it went into a special fund in the Treasury.

Mr. McKELLAR. It went to the credit of his organization in the Treasury.

I do not intend to talk about the other members of the Board. One was formerly a Senator. He is a very estimable gentleman. The other is Dr. H. A. Morgan, a very fine gentleman. However, they permit Lilienthal to control the Board, and do as he pleases. He is just as much in control of that Board, and everything that pertains to the T. V. A., the dams, and the funds, as Hitler is in control of Germany.

There is another transaction concerning which Lilienthal falsified, namely, as to the rates at which he sold electricity to two aluminum companies. One was the rate that he sold to the Aluminum Co. of America, commonly known as Alcoa, and the other was the rate at which he sold to the Reynolds Metals Co., also an aluminum company. It seems that he made the contract with Alcoa first and sold the power to that company at a very reasonable rate. I have no complaint whatsoever to make about his sale of the power to Alcoa at that rate. I am not criticizing Alcoa in the least, but I am criticizing Lilienthal about these rates. Afterward he made a 20-year contract with Alcoa on these rates, and later on he made a 20-year contract with the Reynolds Metals Co. Both aluminum companies were doing war work, both of them were reputable concerns, and yet Lilienthal, acting for the Government or claiming to act for the Government, sold electricity to the Aluminum Co. of America at a much less figure than he sold it to the Reynolds Metals Co. The evidence shows the difference in price was \$7,000,000 on the 20-year contract in favor of the Aluminum Co. of America. It is true that he undertakes to dispute some of the figures. Indeed, when I asked him which company he sold to at a less price he turned me over to Mr. Wessenauer, his expert, sitting by him, and said he would answer the question, and Mr. Wessenauer promptly answered that he sold it at a less price to the Reynolds Metals Co. Fortunately for the truth, we had a letter from Lilienthal to Mr. McIntyre, of the White House, in which he admitted that he was selling it at a higher price to the Aluminum Co. of America and tried to justify it by saying, among other things, he had sold to the Reynolds Metals at a subsequent period. Thus it is seen that again Lilienthal was engaging in his pastime of falsifying.

Again, Mr. Lilienthal was asked if the T. V. A. had not gone in partnership with the Aluminum Co. of America in the management and control of the Aluminum Co.'s four dams and other properties. He denied it; but, finally, on cross-examination, after weaving in and weaving out, he admitted that he had made a contract with the Aluminum Co. which constituted a working agreement between them in which mutual benefits were given and received. If that is not a partnership, I do not know what it is. Even with as broad powers as the T. V. A. has, there is no authority whatsoever for the T. V. A. to enter into a partnership with the Aluminum Co. of America.

Again, all of us old-timers remember how Senator Norris, of Nebraska, used to inveigh against the private power com-

panies. He denounced them probably thousands of times as being in a power trust. Indeed, the only reason Senator Norris ever took an interest in the T. V. A. that I ever knew of was his opposition to the Power Trusts, and he thought there was also a good opportunity of breaking the hold that the Power Trust had on the power users of that part of our country.

Again, the record shows that I asked Lilienthal if he had not taken his place with the private Power Trusts. He answered "No," but finally admitted that he had a working agreement with various private power companies, and those mentioned were the Kentucky Power Co.; the Duke Power Co. of North Carolina; the South Carolina Power Co.; the Georgia Power Co.; the Alabama Power Co.; the Mississippi Power Co.; and the Commonwealth & Southern, which used to be presided over by the Honorable Wendell L. Willkie. In a facetious manner I asked him if he had not taken the place of Mr. Willkie in the Power Trusts.

What their agreement is can only be understood by the technical power people, and I have not had time to have the technical people tell me what sort of trust agreement Lilienthal has with the power companies.

Again the evidence discloses other practices of Mr. Lilienthal that are most reprehensible. Referring again to the reserve fund, a peculiar thing about the appropriation as it passed the House is that it not only gave Lilienthal the unexpended balance and current income of the Authority amounting to nearly \$70,000,000 but it also set up a reserve fund of \$8,656,298. Why should the T. V. A. have a reserve fund? If we are going to build up a reserve in each of the departments we would have to build up a reserve with the Mississippi River Commission, the various reclamation projects in the West, the various Indian Bureaus, and manifold other Government agencies of similar kinds owned by the Government; and yet, Lilienthal, having absolute control of the T. V. A., recommended it, and our good friends in the House agreed to it, no doubt, after blandishments and cajoleries and pleading of this slick, scheming rascal who is in charge of the T. V. A. at this time.

Again, Lilienthal was asked about newspaper advertising. I asked him why the T. V. A. had to advertise in the newspapers. The amount of advertising they had done in the 3½ years from July 1, 1940, until December 31, 1943, had cost \$42,258.74. When he was asked about this advertising he said there was expense for legal advertising, and that is true, but it is not included in the above. He was then asked if the principal amount was not spent in 1940, and he said it was, and he said it was because of some drought that it was spent. As a matter of fact, it was spent in political advertising. At that time he was trying to defeat me for the Senate, and when he was asked about it he denied it, but, as Dr. Morgan said, he would say anything and do anything in his own interest.

I call the attention of the Senate especially to pages 384, 385, and 386 of the record. I asked him if instead of using

it for the drought he had not used this money to curry favor with the newspapers in the State trying to defeat my reelection. As he always does, he denied it, and, as he always does, he tells falsehoods whenever he thinks it is necessary. He went all over my State denouncing me when my election was before the people and he spent this money perhaps at that time, and he admits he spent it at that time. There is one thing about a man, and that is that he knows when another man is against him, and he knows when another man is using improper means against him. Lilienthal had no purpose in mind other than to defeat me as Senator. It was not his money; it was the Government's money, and he ought to be made to pay back every dollar of the \$42 000 that he spent in that behalf.

Mr. President, Lilienthal claims that he is complying with the law under which he is operating. Section 26 of that law reads as follows:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation, including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation.

That is the law. The provision in the House bill changes the law, and I want to leave the law as it is. Lilienthal has no right to violate the law. He asks the Congress to repeal a portion of this law. The Senate committee is standing by the law as originally enacted by the Congress. Lilienthal pays no attention to the law under which he is operating. If a provision suits him he stands by it, but if a provision does not suit him he ignores it and does as he pleases, as he has done in the case of the General Accounting Office of the Government. The law provides that the head office shall be at Muscle Shoals. He has violated that law and moved the head office to Knoxville, Tenn. Knoxville is the proper place for the Tennessee Valley Authority. It ought to have been there in the beginning, but at that time Muscle Shoals was the head of such power development as we had, and later, instead of coming to the Congress and asking that the Congress amend the law so that he could have his office in Knoxville, Lilienthal ignored the Congress and moved his office to Knoxville. He is now reaping the whirlwind after having sowed the wind at that time. It is a great pity, Mr. President, that the Tennessee Valley Authority has at the head of it a man who in effect actually despises the Congress. He ignores the Congress. He has contempt for it, and for every Member of it. When he thinks it will benefit him he tells a falsehood more easily than he can

tell the truth. I have no doubt that he is raising the question about the general office of the Tennessee Valley Authority being moved back to Muscle Shoals for the purpose of undertaking to embarrass me. I offered an amendment in the committee to move the office to Knoxville, Tenn., so it would be legal, but his friends insisted upon voting it down.

Furthermore, Mr. Lilienthal has entered into a partnership with the Aluminum Co. of America. The evidence is as follows:

Senator McKellar. You are in partnership with the Aluminum Co. of America, are you not? Do you not control the power dams of the Aluminum Co. of America in the Tennessee Valley?

Mr. LILIENTHAL. No.

Senator McKellar. You do not control those dams?

Mr. LILIENTHAL. After the Fontana Dam has reached operating elevation the T. V. A. has received the right under a contract to direct the release and discharge of the waters in the Aluminum Co. dams on the Little Tennessee River for the purpose of increasing the total amount of power and flood control available from the whole river, if that is a partnership.

Senator McKellar. Do you not know that is a partnership agreement? Here is the Aluminum Co. which owns several small dams, and you own quite a number of large ones and you enter into a contract with the Aluminum Co. that you are going to control, manage, and sell the power of those smaller dams?

Do you not know that is a partnership?

Mr. LILIENTHAL. I would call it cooperation between Government and business.

Senator McKellar. Cooperation. All right, go ahead.

Mr. LILIENTHAL. And as a result of this cooperation more water is usefully available for the production of electricity than if the Government operated dams on one part of the river and the company on two tributaries operated theirs separately.

It seems to me that is a great accomplishment. The views of these two agencies—T. V. A. and Alcoa—are hardly the same. But physical facts show, after years of study, that if dams of the T. V. A. and the Aluminum Co. were operated jointly more power could be developed than if they were separately operated and more flood control obtained, to the benefit of both the Aluminum Co. and the public.

The contract is published in our annual report for 1942 and I am very proud of it, sir.

Senator McKellar. It is a partnership.

Mr. LILIENTHAL. It is beneficial to both parties, and that is an accomplishment.

Senator McKellar. I know the act under which you operate is very broad and includes a great many things. Will you ascertain the provision of your act which authorizes you to go into a partnership with another and private power company?

Mr. LILIENTHAL. Well, reserving the objection to the word "partnership," I am sure—

Senator McKellar (interposing). Cooperative working arrangement mutually of benefit to both parties.

Mr. LILIENTHAL. Cooperation is authorized expressly by the language of this original act which contemplates the interchange of power and of water so we can get the best utilization of it.

Mr. President, the idea of a Government agency, without the consent of Congress, going into a partnership with the Aluminum Co. of America. I have nothing against the Aluminum Co. of America. Its officers and agents in Ten-

nessee are fine men, but they know quite as well as does Lilienthal how to conduct their business. There is no provision for them to go into a partnership with the T. V. A., and Lilienthal ought to be dismissed from the employ of the Government, not only because he has falsified in regard to the amount of money paid into the Treasury of the United States but about the rates he charged the Aluminum Co. of America and the Reynolds Metal Co. and about putting in discriminatory rates. He should be dismissed, not only because he has joined in a partnership with the private power companies heretofore mentioned but as well because he has entered into a partnership with the Aluminum Co. of America.

I quote from the hearings concerning the so-called interchange of power:

Senator McKellar. How many private companies have you got partnership agreements with to furnish power and for them to furnish you power? You have a number.

Mr. WESSENAUER. We have this sort of agreement with all companies interconnected with our system—

Senator McKellar. How many, the Commonwealth & Southern?

Mr. WESSENAUER. The Commonwealth & Southern.

Senator McKellar. The Alabama Power Co.?

Mr. WESSENAUER. The Alabama Power Co.

Senator McKellar. The Georgia Power Co. and the Louisville Power Co.?

Mr. WESSENAUER. That is right.

Senator McKellar. You are just one of the large organizations of power, are you not?

Mr. WESSENAUER. May I explain that?

Senator McKellar. Yes; but that is true, is it not?

Mr. WESSENAUER. We also have interconnections.

Senator McKellar. You have a working arrangement.

Mr. WESSENAUER. We have a working arrangement of this kind. If we have a plant which cost us 4 mills to operate and produce power, say a steam plant, let me take 5 mills, the steam plant at Nashville cost 5 mills, if one of our neighbors has power that is idle that will produce power for 3 mills, we have a plan where we can cut down our generating and save the 2 mills.

Senator McKellar. That is a partnership arrangement?

Mr. WESSENAUER. It is an arrangement. We have not anything to say about their business and they say nothing about ours.

Senator McKellar. Have you not organized a great power trust down there that makes Mr. Willkie's trust look like a "thingumajig"?

Mr. WESSENAUER. No.

Senator McKellar. How much power is generated in Mr. Willkie's outfit?

Mr. WESSENAUER. If the question is whether we produce more power than Commonwealth & Southern, the answer is "Yes."

Senator McKellar. You are joined up with the Alabama Power, the Louisville Power, the Commonwealth and Southern, the Georgia Power Co., the South Carolina Power Co., and the Duke Power Co.

Do you believe you could put all the power companies you have in the record? I wish you would get the names of all of them and put them in the record.

Mr. WESSENAUER. Yes. The schedule of interchange agreements with private power companies is presented on page 449. Such interchange agreements are expressly authorized by the following language of section 12 of the Tennessee Valley Authority Act (48 Stat. 65-66): "And provided further, That the Board is hereby authorized to enter into contracts with other power systems for the

mutual exchange of unused excess power upon suitable terms, for the conservation of stored water, and as an emergency or breakdown relief.

I did not name all the companies, but all of them are named on page 449. There are sixteen of them.

Under the section of the law authorizing surplus power the Tennessee Valley Authority enters into a trust agreement as is shown on page 453 to page 547.

To show they are using implied authority granted in this act to exchange power with private companies the following question and answer are cited:

Senator McKellar. Your lines are constantly connected and the power is all in one great reservoir and you transmit it where you like to the private companies or to the public in accordance with the contracts you make. Is that not so?

Mr. Wessenaue. Yes, sir.

Lilienthal agreed that he was here lobbying against the dams as shown by the following testimony:

Senator McKellar. But it does seem to me that after I fought here, when you were fighting against any other dam in this Tennessee Valley except three, wanting to use it as a yardstick, and when you were lobbying here against these dams, I think your attitude and your going over the State making speeches reflecting upon me, is contemptible, Mr. Lilienthal.

Mr. Lilienthal. Senator, you know I have not made any speeches attacking you. I have differed with you in respect to a piece of legislation. I continue to differ. I think it is an unsound piece of legislation. I tried to explain it to the people of the Valley, but what I have said concerning you has been respectful.

I would like to remind the Senator that immediately I had the first information from him that he disagreed very violently with us in respect to our stand, I wrote him a personal note in which I acknowledged his great contribution to the Tennessee Valley.

Now, Mr. President, he says he wrote me a letter acknowledging my great contribution to the Tennessee Valley Authority. That is a miserable, deliberate, premeditated, scheming, double-dealing falsehood. I do not recall the letter. He may have written such a letter. The only kind of letter Lilienthal can write is a double-dealing, scheming letter full of trickery. He may have attempted to write such a letter, but such a letter meant nothing to me. He talks about my having contributed to the Tennessee Valley Authority, when, as a matter of fact, I succeeded in getting these dams against his vigorous opposition, his visiting the members of the Appropriations Committee of the Senate and trying to prevent the building of these dams, against his falsehoods, against his dishonesty and corrupt methods at that time. Yet he condescendingly talks about my having "contributed" to the Tennessee Valley Authority. He is dishonest, corrupt, self-effacing, when he thinks it is to his advantage to be so; vigorous and determined when he thinks he has an advantage; a sneaking, lying, miserable, impudent squirt of a man. He has put some good men around him who are running this plant, but Lilienthal is just as capable of running a great enterprise of this kind as "Lefty Louie" was capable of running a church of God.

Again, his gift to the people of Dandridge, Tenn., for planning assistance, was approximately \$1,300, and his gift to the people of Guntersville, Ala., for the same purpose was \$20,000.

Again, for a long time there was a feud between him and the General Accounting Office about the examination of his books. He objected very seriously to it, as I was informed. He has spent for examining his books, as I recall, the sum of \$190,000, all told, and he wants \$30,000 to have some agency subscribe to his accounts for the next year. This was denied. He says, on page 300, that he is for the General Accounting Office 100 percent, but he wants his books examined by private auditors.

Mr. President, in 1932 President Roosevelt was first elected to the Presidency and in January of that year he invited the senior Senator from Alabama [Mr. BANKHEAD], former Senator Black, Senator Bachman, and me, Representatives Almon and Hill, and former Senator Norris to go down to Muscle Shoals and look at the Wilson Dam. It seems that President Roosevelt when he was Governor of New York had recommended, and the legislature had passed, one or more acts creating what he called authorities, and if I recall rightly on his way down there he suggested that a bill be passed by the Congress to create the Tennessee Valley Authority patterned after one of his New York statutes. My recollection is also that he had the bill prepared afterward. Naturally I supposed that either Senator Bachman or I or Senator Black or the Senator from Alabama [Mr. BANKHEAD] would be invited to introduce the bill, but after the President took office to my great surprise he selected Senator Norris, of Nebraska, to introduce the bill which it was understood he had had prepared.

I secured, my recollection is with the help of Senator Bachman and Senator Black and perhaps the Senator from Alabama, an amendment which is found as section 13 of the Tennessee Valley Authority Act. Section 13 is as follows:

SEC. 13. Five percent of the gross proceeds received by the board for the sale of power generated at dam No. 2, or from any other hydro-power plant hereafter constructed in the State of Alabama, shall be paid to the State of Alabama; and 5 percent of the gross proceeds from the sale of power generated at Cove Creek Dam, hereinafter provided for, or any other dam located in the State of Tennessee, shall be paid to the State of Tennessee. Upon the completion of said Cove Creek Dam the board shall ascertain how much additional power is thereby generated at dam No. 2 and at any other dam hereafter constructed by the Government of the United States on the Tennessee River, in the State of Alabama or in the State of Tennessee, and from the gross proceeds of the sale of such additional power 2½ percent shall be paid to the State of Alabama and 2½ percent to the State of Tennessee. These percentages shall apply to any other dam that may hereafter be constructed and controlled and operated by the board on the Tennessee River or any of its tributaries, the main purpose of which is to control floodwaters and where the development of electric power is incidental to the operation of such flood-control dam. In ascertaining the gross proceeds from the sale of such power upon which a percentage is paid to the States of Alabama and Tennessee,

the board shall not take into consideration the proceeds of any power sold or delivered to the Government of the United States, or any department or agency of the Government of the United States, used in the operation of any locks on the Tennessee River or for any experimental purpose, or for the manufacture of fertilizer or any of the ingredients thereof, or for any other governmental purpose: *Provided*, That the percentages to be paid to the States of Alabama and Tennessee, as provided in this section, shall be subject to revision and change by the board, and any new percentages established by the board, when approved by the President, shall remain in effect until and unless again changed by the board with the approval of the President. No change of said percentages shall be made more often than once in 5 years, and no change shall be made without giving to the States of Alabama and Tennessee an opportunity to be heard.

It will be seen from this act that 5 percent of the gross proceeds received by the Board from the sale of power generated at dam No. 2 or from any other hydropower plants thereafter constructed in the State of Alabama shall be paid to the State of Alabama.

Two other dams have been built in Alabama—the Wheeler and Guntersville Dams—and Alabama receives 5 percent of the gross proceeds from those dams.

In like manner, Tennessee was to receive 5 percent of the gross proceeds of the sale of power generated at Cove Creek Dam or any other dam located in Tennessee. Now there are a number of dams that have been built in Tennessee. The Pickwick, Chickamauga, Watts Barr, Fort Loudon, Cherokee, and Douglas Dams have already been built, and as to what will be done about the Gilbertsville Dam is yet to be determined.

There was a further provision about the addition of power at dams located lower down on the river and the 5 percent figure should be equally divided between Alabama and Tennessee on such additional power. I am advised that the State of Tennessee for the last 3 years has received certain sums under section 13 of that act.

These payments are made in lieu of taxes and were put there at my very earnest insistence. We had been discussing this feature of the case for years.

Of course, Mr. President, the greatest credit is due Franklin Roosevelt, President of the United States, for the development of the Tennessee Valley. He appointed the three members of the Authority with Dr. A. E. Morgan as chairman, and under Dr. Morgan the Norris and Wheeler Dams were built—one in Tennessee and one in Alabama.

Dr. A. E. Morgan was a professor at Antioch College in Ohio. Dr. H. A. Morgan was president of the University of Tennessee; and Mr. Lilienthal was a young lawyer in partnership with Donald Richberg.

There was no trouble about the passage of the bill; there was no trouble about the appointment and confirmation of the three members of the Authority. All of this went along as a matter of course.

I wish to refer to one further matter, and then I shall be through.

Mr. Lilienthal is not an engineer. He is a lawyer. That is, he was educated as a lawyer. I do not think he has ever

practiced law. I have no doubt that there are some fine engineers under him. I do not know any of them, except as they have appeared before the committee. I have never been in the confidence of Mr. Lillenthal. He has never come to my office. I do not know whether he goes to the office of the Senator from Alabama, but he never comes to mine. Judging from his newspaper statements, he does not think much of Senators and Representatives anyway. He thinks that this money ought to be left at the "grass-roots."

Yesterday the question was raised as to Mr. Lillenthal going into politics in Tennessee. Everyone in Tennessee knows that he is up to his neck in politics. For years he has been urging, not only that I be not returned to the Senate, but that my colleague [Mr. STEWART] be not returned to the Senate. My colleague so stated yesterday. I know that Mr. Lillenthal fought him in east Tennessee.

I do not know whether Mr. Lillenthal is a voter in my State. I doubt if he is. I presume he votes in some other State. I do not know that he has ever voted in my State. However that may be, he has taken a very active part in politics in Tennessee. Remember, this is a man who never says anything directly. His closest associates say that he never speaks directly. He never acts directly. He acts indirectly. He is eely and oily in his actions. Let me read what he said. I read from a newspaper article:

Lillenthal warns against political invasion of T. V. A.

Ordinarily that might be good. Aside from the gentlemen who appear before our committee once a year, I do not believe I know anyone in the T. V. A. I have never tried to meet anyone connected with the T. V. A. I do not know anything about them. I presume most of them vote for me. If we do not know Lillenthal well enough, they certainly know him well enough not to follow his lead in the matter of voting. Lillenthal tried in every possible way to defeat me in 1940, but he could not get up any steam, and had to give it up.

While he was making speeches, this is what he said. I am sorry the junior Senator from Alabama [Mr. HILL] is not present. He ought to hear this:

Mr. Lillenthal concluded by urging citizens to find out how candidates for political office stand on the issue of continued businesslike management of public power agencies.

The war is absorbing every last bit of your attention and energy: At times like these the average citizen is preoccupied and is therefore less likely to pay attention to things that are going on in his community.

But the future of public ownership here in the Valley depends upon a continuation of business principles in all the hundreds of communities receiving and distributing T. V. A. power.

Your eternal vigilance is the price of low-cost electricity.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McCLELLAN. Is what the Senator has been reading a quotation from a speech?

Mr. McKELLAR. It is from a speech made 2 years ago when Mr. Lillenthal was canvassing the State against the junior Senator from Tennessee [Mr. STEWART].

Mr. McCLELLAN. Was the speech made at a time when a campaign was under way?

Mr. McKELLAR. The campaign was in full blast. It was a campaign which was close, and in which Mr. Lillenthal made it so hot for the Senator from Tennessee that the Senator denounced Mr. Lillenthal in Chattanooga, charged him with being actively against him, and making speeches against him, and dared him to deny it. However, Mr. Lillenthal never denied anything.

Mr. McCLELLAN. Does the implication, which is carried in the quotation which the Senator has read, have reference to the issue now pending before the Senate with respect to continuing Lillenthal's business management?

Mr. McKELLAR. Oh, I think Lillenthal wanted to get rid of the two Senators from Tennessee, and he was undertaking to do that. I do not know whether the Hatch Act applied to it or not.

Mr. McCLELLAN. No; I am asking whether anything contained in the quotation read by the Senator has reference to the issue now before the Senate relative to continuing the business management as it has been.

Mr. McKELLAR. Oh, yes; exactly. There are several other statements which I shall put in the RECORD, all showing that Lillenthal was vigilant and active during the campaign. There is one article to which I shall call attention. It is from one of the newspapers, and states that Lillenthal was in the gallery 2 years ago when I made a speech on a similar bill in which I made similar charges. I never heard of any comment being made by him with reference to my charges. He never answered them. He never answers anybody. He just goes along and lets time answer charges of fraud and stealing which have been made by his colleagues. His colleagues have charged him with stealing, and they have charged him with attempting to combine and confederate with others to pay millions of dollars to a marble company which had some little interest in leases. The company bought leases on the underground rights of Norris Lake. Because of that, Lillenthal was denounced by his colleagues for wrong-doing. Now, why should we continue that man in control? We cannot help continuing him in office, but we certainly should pass a law which will hold him down to doing the right thing by paying his receipts into the Treasury of the United States. That is what this particular amendment asks for.

Mr. President, at this point I shall ask that the Senate vote on the amendment as soon as it can do so.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. In the Senator's opinion is the amendment divisible in any way?

Mr. McKELLAR. Oh, yes; it can be divided. I shall be very glad to have it divided.

Mr. VANDENBERG. I should like to have separated from it the question relating to employees receiving \$4,500 and more.

Mr. McKELLAR. I shall be very glad to divide the amendment in any way. I merely want the Senate to vote on it.

Mr. BANKHEAD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Willis
Downey	Overton	Wilson
Eastland	Radcliffe	
Ellender	Revercomb	

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Sixty-seven Senators having answered to their names, a quorum is present.

IMPORTATION OF LIVESTOCK AND POULTRY FEED FREE OF DUTY

Mr. GEORGE. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of House bill 4410, and I desire to say a word by way of explanation.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4410) to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with an amendment.

Mr. GEORGE. Mr. President, I have conferred with the majority and minority leaders of the Senate, and there is no objection on their part to the consideration of this bill. It simply extends for an additional period of 90 days public law approved December 22, 1943, which suspended the tariff duty on certain grains imported for poultry and cattle feed. The present law expires today, and it is highly important if the supply of poultry and cattle feed is to be maintained in the country that the time be extended. Therefore I have asked that the bill be considered at this time, without prejudice of course, to the pending unfinished business.

Mr. BUTLER. Mr. President, I shall make no controversy about this bill, of course, but I should like to ask the Sen-

ator from Georgia if the bill would include grain screenings as well as grains?

Mr. GEORGE. I myself would have no doubt, because the language of the bill, which is the same as that of the present law, reads:

Wheat, oats, barley, rye, flax, cottonseed, corn, or hay, or products in chief value of one or more of the foregoing or derivatives thereof, any of the foregoing if to be used as, or as a constituent part of, feed for livestock and poultry.

Flaxseed is included, and I should think there would be no doubt about grain screenings, because I do not understand that grain screenings constitute a separate dutiable item under the Tariff Act.

Mr. AIKEN. Mr. President, I inquire if the Senator from Georgia has considered whether the bill includes also oat scalplings, which are broken pieces of the kernel of oats?

Mr. GEORGE. I should think so, because I do not think that either screenings or scalplings are separate dutiable items, and I think they are covered by the language which reads:

or products in chief value of one or more of the foregoing or derivatives thereof, any of the foregoing if to be used as, or as a constituent part of, feed for livestock or poultry.

Mr. BUTLER. Mr. President, the statement made by the Senator from Georgia I think is the only interpretation that those who handle the items at the import points could make; but I was anxious that the statement be made by the chairman of the committee on the floor. I thank the Senator from Georgia.

The PRESIDING OFFICER. The amendment reported by the Committee on Finance will be stated.

The CHIEF CLERK. On page 2, after line 15, it is proposed to insert the following:

(3) Oats to be used for purposes of human consumption, if entry or withdrawal is after the date this paragraph takes effect.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. GEORGE. Mr. President, I request that the action taken by the Senate on House bill 4410 be immediately messaged to the House, so that the House may concur in the single amendment made to the bill by the Senate.

The PRESIDING OFFICER. The order requested by the Senator from Georgia will be made.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. VANDENBERG. Mr. President, I ask for a division of the pending question and a separate vote on the language of the amendment starting in line 9, page 55, and ending with the word "Senate"

in line 13. In other words, it is the clause identified as No. 13.

The PRESIDING OFFICER. The Chair will suggest to the Senator from Michigan that the better way to handle the vote upon the committee amendment would be by a motion to strike out clause 13 rather than voting on it separately. There are so many subdivisions that the Chair thinks that will be the better procedure.

Mr. VANDENBERG. I realize that the same result would be accomplished, but at the same time I assume that it is correct parliamentary procedure to ask for a division of the question. Is it not?

The PRESIDING OFFICER. The difficulty is that they are all governed by the sentence with which the proviso on page 53, line 13 begins.

Mr. VANDENBERG. Very well. Is a motion to strike out the amendment in order at the present time?

The PRESIDING OFFICER. No; for the reason that the Senate has not reached that committee amendment. There are a number of other amendments ahead of it.

Mr. McKELLAR. Mr. President, I wish to say that I am perfectly willing, and I am sure that no other Senator will have any objection, to having a separate vote on that amendment or any other subdivision or amendment of the bill.

Mr. BANKHEAD. Mr. President, I hope to be able to present the statements I care to make on this subject in a very short time. Of course, the subject is a broad one, and if it had not been discussed it would require considerable time for presentation of the issues involved. We have had an able speech from my colleague, the junior Senator from Alabama [Mr. HILL], leaving very little to be said on our side of the case. We have had a very able speech from my friend and old college mate from across the line of my State, the senior Senator from Tennessee [Mr. McKELLAR], in which he has presented in a masterly way the reasons which actuate him in his position on this subject.

I would not for anything say anything personally objectionable to my friend from Tennessee, for whom I have real affection, and if I say anything which encroaches upon that sentiment, I hope he will call my attention to it, because nothing I say will be intended as offensive.

I think it might be well in the beginning to have a little better understanding of what is involved in this controversy. I have found Senators who look on it solely as a personal issue of the Senator from Tennessee. They seem to think that if his amendments shall be agreed to the result will be favorable to the Senator from Tennessee, and unfavorable to Mr. Lilienthal, and I feel sure we will find, as we did 2 years ago, a number of Senators casting their votes upon this important issue because of their friendship for the senior Senator from Tennessee.

If every Member of the Senate thought that was the issue, I am sure the amendments of the Senator from Tennessee would receive practically a unanimous vote; but, of course, there is a funda-

mental difference in viewpoint about what is involved. Unfortunately, many Senators have not been present during the discussion. They merely know it is a fight by the Senator from Tennessee on this man Lilienthal. I assume that is the scope of the information of some Senators, because I know a number who have not heard a word of the discussion.

Mr. President, what is the fundamental issue? It is whether we are going to change the law dealing with the operation of this growing and already gigantic plant which is under the control and administration of the Tennessee Valley Authority, and which is confessedly an experiment in the field of government. I shall not discuss who sponsored it. I know that the Senator from Tennessee has been devoted to it, and as a member of the Committee on Appropriations for years, and as a Member of the Senate, and as a participant in the passage of the T. V. A. bill, which came from a committee of which I am a member, the Committee on Appropriations, I have been in full accord with the Senator from Tennessee and have in large measure recognized his leadership. But we reached the dividing point upon this issue 2 years ago, when, for some reason—I do not know what it was and I do not care—the Senator from Tennessee decided that the management of the T. V. A. should be changed. Those who have heard his argument recognize that it has been addressed almost exclusively to the question of whether we can trust Mr. Lilienthal.

It is rather significant that from the beginning of this great organization, which has been growing in strength and power and income by leaps and bounds, there have been no real, supported charges or complaints against the integrity or against the good management of the vast affairs of this corporation. It has grown every day in the confidence and respect of the people of the great Tennessee Valley, from one end of it to the other, so far as I have ever heard. The Tennessee River extends across the entire width of the State of Alabama, from Georgia to Mississippi, and on into Tennessee, and the people of Alabama are as one man, so far as I have been able to ascertain, opposed to the amendments offered here by the Senator from Tennessee.

I shall not undertake to speak for the people of Georgia, or Tennessee, or Kentucky, or those of Mississippi, but I feel sure that no Member of the Senate has received any protests or complaints from anyone along the entire Tennessee River against the philosophy, against the method of administration, against the great program as carried on by the men who are now in charge of it.

In the case of this organization, whose activities extend into nearly 100 cities, including nearly every city in the State of Tennessee, furnishing them with the power they use, and extending into all the cities and towns in north Alabama, into parts of Georgia, and on into Mississippi, and soon to extend into the State of Kentucky, with such widespread diversification of operation, I submit it is remarkable that there has been no complaint against the management, no com-

plaint against the Authority, or the Board of T. V. A., and no request to change the power and authority and basic law of the T. V. A. Do Senators think a private corporation, with such widespread operations as those of the T. V. A., could ever get along without numerous complaints and criticism and applications for change? It is especially remarkable that a political corporation should not be the subject of all kinds of criticism during these days of general political criticism. But we do not find that there is such criticism. The people in the areas affected are holding mass meetings, they are sending letters and telegrams, and the newspapers all the way down to Birmingham are in accord in the movement to defeat the McKellar amendments on the ground that they think the amendments would hamstring the T. V. A. in its efficient management of the affairs of this great corporation and organization.

Mr. President, I submit that the Members of the Senate in making up their minds on this matter, should take into careful consideration that public attitude of friendship and support, and that it should supersede the criticism of my friend, the Senator from Tennessee, however fine and great a man he is—and he is fine and great. This expression of public opinion and sentiment on the part of the people in that section of the country which is concerned in this issue should have very great weight with the Members of the Senate.

The question has been asked, What reason is there to change the law that controls the administration of the T. V. A.? I have heard no reason advanced, except objection to Mr. Lilienthal. The T. V. A. legislation was worked out carefully. It has stood the test. It went through Congress at a time when the creation of the proposed organization meant entering into a new field of governmental activity. The legislation was deliberately passed to try this great experiment, and, so far as the people it has served are concerned, it has been a great success. I now ask the question, Why change the legislation with respect to the organization, and why change it in the manner here proposed? The amendments would totally change the fundamental law adopted by the Congress, although with appropriations being made from time to time under the law there has been no effort until recently to make any change in it.

Measures have come before the Senate and the House of Representatives in which increased appropriations were asked for the building of additional dams and transmission lines and generating machinery, but not until this controversy between my friend, the Senator from Tennessee, and Mr. Lilienthal came to the surface 2 years ago has there been any serious complaint, and until 1 or 2 years ago there has been in all these appropriations no effort made to change the basic law for the government and control of the T. V. A.

The Government has more than \$750,000,000 invested in that great plant. It is a proper investment. It is making money every year. It will make more and more as new dams are added. Some have just

been finished and others are under construction. It will make more and more money as they come into use and operation. Is it the part of wisdom, however much we may think of a Member of the Senate, on an appropriation bill to change the method of operating and administering this great plant which has proved so successful?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BANKHEAD. Certainly I yield.

Mr. McKELLAR. The Senator will recall that the House changed the law in this very appropriation bill, and it is because the House changed the law on this particular appropriation bill that the Senate has a right to vote to change it a little more.

Mr. BANKHEAD. I am not questioning the right, though I doubt very much the right to inject all this machinery into the appropriation bill simply because the House made a change.

Mr. McKELLAR. Does the Senator think the House has a superior right with respect to making a change in an appropriation bill?

Mr. BANKHEAD. It depends upon the nature of the case. But I said I raised no point against that, though I doubt it very seriously. I take the word, as I would take it at any time, of my good friend that he has consulted the Parliamentarian and has been advised that a point of order would not lie against it. So I am not discussing the technical question. I am talking about the wisdom of the proposal, assuming that there was no sort of question about whether it could properly be added to the bill. But here is a great change proposed to be made in a plan which has worked to the satisfaction of nearly everyone. I admit that the attitude of Mr. Lilienthal has not been satisfactory to my friend, the Senator from Tennessee, but evidently it has been satisfactory to the great mass of the people who are chiefly concerned. But now it is proposed to bring about a change, and how is it proposed to do it? Not by sending to a committee a bill changing the law, having hearings on it, giving due consideration to a measure dealing with this vast sum advanced by the taxpayers of the United States to carry out a program which is of paramount interest and importance to that great area of country from Virginia on through Kentucky and reaching into Indiana and Illinois.

No hearings of any consequence were held upon this program. Mr. Lilienthal was brought before the committee and asked about what money he put into the Treasury of the United States. The Senator from Tennessee [Mr. McKELLAR] believed that he had found him to be misrepresenting with respect to it. I do not think he did. I will show the Senate in a moment the difference between the two points of view. But we had no hearings on the matter. We had no complaint about the management, unless my friend the Senator from Tennessee made some complaint in his own way in his argument relating to the character of Mr. Lilienthal. We had no contention about the law. No contention

was made that it ought to be changed except as it would limit the power of Mr. Lilienthal while he is at the head of the corporation. Mr. Lilienthal will not be there always. His term of office expires, I think, next year; does it not, I ask the Senator from Tennessee? When does Mr. Lilienthal's term of office expire?

Mr. McKELLAR. In May of next year.

Mr. BANKHEAD. In just about a year. That leads to two thoughts. In the first place, is the way now being proposed the proper way to put a crimp in the activities of Mr. Lilienthal? Is it necessary to change the entire procedure with respect to the corporation, and the law on this subject as it has been on the books since the T. V. A. legislation was originally passed? Is that the way to do it? There are two other ways. One is when Mr. Lilienthal's appointment comes before the Senate, if it does, to act upon the matter of confirmation, which will be before the Senate within the next year at about the time the next appropriation bill comes up. The other is, of course, to institute impeachment charges against Mr. Lilienthal. But no statement has been made here which, according to my understanding of the law on that subject, would justify impeachment charges. They are the two legal remedies, one of which is available immediately, and the other one a year from now. But my friend is a little impatient to get at Mr. Lilienthal.

I know he does not want to injure the T. V. A. No man on earth could make me believe that. His heart is in that organization. He has probably done more to advance its cause by the construction of dams and the enlargement of its power than has any other Member of the Senate. I know that to be so. He would not injure the T. V. A. But in my humble judgment he will injure it if the basic law is changed for a temporary purpose, and to get rid of a certain individual. I do not see how it will even have that effect. Will it get rid of Lilienthal? How is the proposed change going to accomplish that purpose? Will limiting the power of the T. V. A. tend to eliminate Lilienthal from control of its operation? Not at all, unless he should resign because he could not operate it successfully and efficiently. But the more likely and normal effect will be to punish the T. V. A., not Lilienthal. These amendments are not directed at Lilienthal in their effect. They are directed at the T. V. A. So, Mr. President, I submit that from that standpoint the amendments ought not be adopted.

Let us see what the basic law is. I am sure many Members of the Senate do not understand it. Let me call attention to section 26 of the T. V. A. Act, under which this great program has been so successfully administered. I will read it:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation and from any other activities of the Corporation, including the disposition of any real or personal property, shall be paid into the Treas-

ury of the United States at the end of each calendar year—

The T. V. A. keeps the money throughout the year, until the end of the calendar year—

save and except such part—

They are not even required to pay it all in—

of the proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section—

That much, in addition to all the receipts—

and may be held by the Board to defer emergency expenses and to insure continuous operation.

There is another proviso, but I think it has no application to what I have been reading.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BANKHEAD. Yes; I am glad to yield.

Mr. BURTON. Under that provision as to the disposal of the funds, would the Senator say the fund is or is not a revolving fund?

Mr. BANKHEAD. It is not a continuing revolving fund. The revolving fund is there, and we call it a revolving fund or a reserve. They have the right to use, as the statute provides, all their receipts from operations and income from other sources until the end of the year.

Mr. BURTON. Therefore during the year they would have an opportunity to act just as any business corporation would act; but when the end of the year arrives, at which time the ordinary business corporation either declares a dividend or does not declare a dividend, the Congress comes in and determines whether they should have the money for the next year; is that correct?

Mr. BANKHEAD. That is exactly correct.

Mr. President, my friend the Senator from Tennessee [Mr. McKellar] says the T. V. A. has never turned any money into the Treasury. He puts a technical construction on the situation. But what he has said is not the situation in substance, in fact, or in law. They have complied with this section of the basic law all the time. At the end of the fiscal year they have accounted for the net income, after having spent out of the receipts, as they came along, for the administration and for any other purpose for which Congress authorized them to spend the money. Otherwise the funds have been in the Treasury of the United States all the time. I doubt whether Mr. Lilienthal ever personally handled a dime of the income. That is handled in accordance with the mechanical procedure and administrative regulations, through their treasury and their subordinate accountants and officials. But Congress has heretofore disposed, before the end of the year arrives, of the accumulated receipts—the profits which otherwise

would have gone into the general fund of the Treasury.

I submit to the Members of the Senate that the only reason why the money has not gone into the general fund which is lying in the Treasury for that purpose—I ask Senators to observe this point—is the fact that the Congress directed that it go elsewhere. When the Congress passes the appropriation bill covering the T. V. A. about this time each year, the Congress appropriates for certain purposes and uses the money which is in the T. V. A. fund. We all know that the T. V. A. was engaged in an extended program of construction. If, under the congressional appropriations and under the basic law authorizing such expenditures, the T. V. A. needed \$10,000,000 in addition, it used the \$10,000,000 or whatever amount it had in the special fund. The Congress appropriated it. That reduced the amount of the appropriation coming out of the Treasury; the amount of the appropriation coming out of the Treasury was thus reduced to the extent of the money in the special fund.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. LA FOLLETTE. It is similar to having a corporation plow back its earnings into improvements and betterments, is it not?

Mr. BANKHEAD. That is exactly correct. It is handled just as any corporation would handle its own affairs.

That plan was worked out, not by Mr. Lilienthal, but by Congress. Under the law, the T. V. A. was authorized to hold every dollar of receipts until the end of the year. But rather than put them into banks and handle them in some risky way, the procedure which is now being followed was worked out and written into the law. That procedure has been approved by the House, and has been included in the appropriation bills passed in previous years. Who worked it out, Mr. President? Who worked out the system now used? It was worked out by Mr. Lindsay Warren, the Comptroller General of the United States, and by Mr. Lilienthal, with the approval of the chairman of the House Committee on Appropriations.

The plan was to keep the money in the Treasury. Up to that time it could have been kept elsewhere. The plan was to keep the money in the Treasury until the Congress decided whether it wished to appropriate additional sums of money for these purposes. If it did, there was the net balance available in this fund. That is what Congress has done from year to year. That was done with the approval of disinterested and high officials of the Government. I refer to the Comptroller General, the Director of the Budget, and the chairman of the House committee.

There is no complaint that that plan has not been carried out in letter as well as in spirit. I submit that it is a dangerous thing, without consideration, to adopt a new plan, necessarily against the judgment of these great officials of our Government, although there is no evidence on that score. The plan which is now being followed is the plan which they

recommended and agreed to for the operation of the T. V. A. Certainly, if any change is to be made in the plan, it ought to be done in the regular way, after full consideration.

I wish to invite attention to a statement made by a recently departed great friend of every Member of this body, when the same subject was under consideration 2 years ago. A similar bill, which did not go as far as the pending bill, but almost as far, was introduced and sponsored by the Senator from Tennessee [Mr. McKellar]. He secured the passage of that bill because of his great ability and his well-deserved popularity with Members of the Senate, and the confidence they have in him. The Senate did not have time to go into the details of the bill. Look at the attendance in the Senate at this moment. Do Senators think that the Senate is now capable of passing upon a great question such as this, with less than a dozen Senators present? We are about to decide one of the most important problems involved in our national economy, and to place under criticism one of the great experimental programs, which has gone far beyond the experimental stage, and is on the right side from the standpoint of the people. Would that be right? Would it be good judgment to abandon what was done after due consideration and deliberation?

Let me read what our friend Senator McNary said in discussing a similar bill 2 years ago. As we all know, Senator McNary was a member of the Senate Committee on Agriculture and Forestry, which has jurisdiction of this subject, and at one time was chairman of the committee. The original bill was thoroughly discussed and fully considered before that committee. Senator McNary was one of its active supporters. Two years ago the question of a change arose, in connection with an appropriation bill. I think it is fair to have the benefit of his judgment upon a similar program in recent times. Listen to what Senator McNary, the late leader of the Republican Party in the Senate, said. We all admired him, regardless of the dividing line in the Senate. While that bill was under consideration in the Senate, Senator McNary said:

Mr. President, I appreciate the generous attitude of the Senator from Kentucky, and I shall confine my remarks to narrow limits. I shall limit what I say particularly to the procedural aspects of the case. I shall not enter into a discussion of the substance of the question involved, because that has been gone into by other Senators who are probably more familiar with the subject than am I.

That was his usual modest way of speaking.

Mr. President, I have known the project under discussion from its infancy. I refer now not to the T. V. A. but to the parent project, which was the Muscle Shoals undertaking, a matter before the Senate a great many years ago. If I can trust my memory it was in 1916 that the National Defense Act was passed, which contained a provision for the construction of the dam at Muscle Shoals, afterward named Wilson Dam. In that act there was a provision that the dam should be used for the making of propellants in time of war and fertilizer in time of peace. I became a member of the Com-

mittee on Agriculture and Forestry when I came to the Senate, and that committee has had jurisdiction over the subject matter since that time. For a number of years I was chairman of the committee, and various bills affecting the Muscle Shoals project, and later bills affecting what is now known as the Tennessee Valley Authority, came before the Senate.

I recall most graphically that when I was chairman of the committee much of the legislation revolved about processes for the fixation of atmospheric nitrogen. We studied the arc process, the cyanimid process, the Haber process, and finally the synthetic process. That is all a matter of history, but it all ripened into the present organization known as the T. V. A.

As a member of the Committee on Agriculture and Forestry, and as its chairman at one time, I served on conferences, and always exercised my interest in behalf of this project. I hope I have been helpful in the development of that great undertaking.

I think we generally accord the able senior Senator from Nebraska, Mr. Norris, the distinction of being the father of the T. V. A., and from the able speech made by the distinguished Senator from Tennessee [Mr. McKellar], it appears he was the father of the Muscle Shoals project, and, as the latter begat the former project, this would seem to make him a kind of foster grandfather of the T. V. A. I think I might be called a remote cousin by a line of consanguinity, because my affiliations with this project, and the legislation affecting it, have been very much in my life. I am glad, however, to know the genealogy of this whole undertaking as manifested by the speeches of these two able Senators.

I concede that there is much to contemplate and that serious study should be given to the proposal made by the Senator from Tennessee. I do not like the procedure under which this matter comes before the Senate in the pending bill. For years I have tried to conform to the Senate rules, and as ex officio member of the Appropriations Committee, as a member of the Committee on Agriculture and Forestry, and the Committee on Commerce I have repeatedly opposed proposals of legislation on appropriation bills. The function of an appropriation bill is to appropriate money, and the members of the Committee on Appropriations become familiar with the various projects which come before that committee. In connection with matters of independent legislation, or legislative bills in general, we have committees having jurisdiction of the various subject matters, who have the duty and the right and the jurisdiction to handle legislative matters. This indicates the objection I am now interposing to the matter before us as it is presented today, and my vote will be against the action of the Committee on Appropriations.

I have in mind rule XVI of the Senate Rules, subdivision 4, with which all Senators are conversant, I am sure. It provides:

"No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received."

I think the amendment now before the Senate violates two of those provisions. I am sure it is legislation on an appropriation bill. It is no defense to say that it is legislation coming from the House of Representatives on the pending appropriation bill.

I shall not read any more of Senator McNary's statement. I wished to develop the judgment of that great man upon the danger of legislating in this way, in an appropriation bill, on a great and important issue.

There are a great many things, Mr. President, which I should like to say, but I shall not take any more time of the Senate. I know that Senators are tired of the discussion, and there are yet other Senators who wish to speak.

In my judgment, we are asked to set a bad precedent. It would be a bad thing to do at this time what is proposed. As I conceive it, if Mr. Lillenthal deserves punishment, he should not be punished by the Congress in the manner suggested.

Mr. BARKLEY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield, so that I may make the point of no quorum?

Mr. BARKLEY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Wills
Downey	Overton	Wilson
Eastland	Radeliffe	
Ellender	Revercomb	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

PROMOTION OF SUSTAINED-YIELD FOREST MANAGEMENT

The PRESIDING OFFICER (Mr. McFarland in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, which were on page 3, line 14, after "conditions" to insert "but not the price,"; on page 5, line 21, after "given" to insert "by registered mail to each landowner whose land is proposed to be included and"; on page 6, line 16, after "publication" to insert "once weekly for four consecutive weeks"; on page 7, line 14, to strike out "without further hearing thereon"; on page 8, line 24, to strike out "the timber and other forest products on"; on page 9, line 1, to strike out "sold" and insert "included"; and on page 9, to strike out lines 17, 18, and 19 and insert:

SEC. 10. Funds available for the protection or management of federally owned or administered forest land within the unit con-

cerned may also be expended in carrying out the purposes of this act, and there are hereby authorized to be appropriated such additional sums for the purposes of this act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior, for any fiscal year.

Mr. HOLMAN. Mr. President, I am authorized by the Senator from South Carolina [Mr. SMITH], chairman of the Senate Committee on Agriculture and Forestry, to move the acceptance of the amendments, which are agreeable to the proponents of the bill. I therefore move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. BARKLEY. Mr. President, I hesitate to take the time of the Senate on the amendments reported by the committee and sponsored by the Senator from Tennessee. I would not do so were it not for the fact that I have a profound conviction that it would be a serious mistake to adopt them.

The history of the Tennessee Valley Authority is very interesting. It had many vicissitudes on the way. It has not been a one-way street, and there is no Member of Congress, either now or heretofore, who is or was wholly responsible for the enactment of the law creating the Tennessee Valley Authority. I happened to have been a Member of the House of Representatives in 1916 during the First World War during the administration of Mr. Woodrow Wilson, referred to by the Senator from Tennessee today. I supported the legislation creating the dam and power plant at Muscle Shoals for the manufacture of nitrates out of which explosives were to be made for war purposes and fertilizer for agricultural purposes.

Following the war the enterprise lay dormant for a number of years. The most active and insistent protagonist of the development of Muscle Shoals, particularly, was the late Representative Almon, of Alabama, in whose district Muscle Shoals was located. From that time until now I have been as active as I knew how to be in developing the Tennessee Valley, which I long ago believed offered one of the great opportunities for the development of a natural resource in a section of the country where it would be propitious to undertake such development, either for the benefit of those who might come within its radius, or as an example of what might be done to other great natural resources in the United States.

I was not and have never been a member of the Committee on Appropriations, nor of the Committee on Agriculture, so that I was not in position originally to vote in the committee for the creation

of the Tennessee Valley Authority. But we all know that legislation was primarily sponsored by the former Senator from Nebraska, Mr. Norris. It came out of the Committee on Agriculture, and one of its great friends in the committee and on the floor was the late Senator from Oregon, Mr. McNary.

The Senator from Tennessee, in the House of Representatives, as a member of the Committee on Military Affairs, and in the Senate, as a member of the Committee on Appropriations, has had the opportunity to render and has been in a position where he could render invaluable service, and he has rendered invaluable service in the creation of the Tennessee Valley Authority and in its completion. He had much help in critical moments here in the Senate. I was one of those who were glad to join with him, with whatever influence and ability and activity I might have, to bring about the development of the Tennessee Valley, and it was developed to a very large degree in Alabama and in Tennessee, and even on some of the stretches of the tributaries of the Tennessee into western North Carolina before it became definitely known that there would ever be built a dam in the State of Kentucky under the Tennessee Valley Authority. When it shall have been completed there will be but one dam in the State of Kentucky; that is the one at Gilbertsville, now known as the Kentucky Dam. The Senator from Tennessee cooperated with me very effectively, and I may say indispensably, in the establishment of the Gilbertsville Dam, but I have likewise cooperated with him to the best of my ability in the establishment of all the dams in Tennessee and Alabama before the Kentucky Dam was ever reached for development.

I regret, Mr. President, that there should have been injected into this fundamental proposition, as I see it, any disagreement on account of personalities as between the Senator from Tennessee and any member of the board of directors of the Tennessee Valley Authority. I know Mr. Lilienthal only slightly. I have never seen him or talked with him about politics. I do not know how he votes or whether he votes or where he votes. My contacts with him have been very infrequent. While Dr. A. E. Morgan was chairman of the board I had many contacts with him, as did the Senator from Tennessee, and sometimes the two of us together contacted him, very frequently unsatisfactorily, I may say.

It is not necessary to go into the disagreements between Dr. Arthur E. Morgan, the first chairman of the Tennessee Valley Authority, and Mr. Lilienthal, or between Dr. Morgan and the Senator from Tennessee—and there were differences—or between Dr. Morgan and me, for there were very acute differences between Dr. Morgan, the first chairman of the Tennessee Valley board and me, and I know there were between him and the Senator from Tennessee, because I participated in some of those differences.

Finally such a situation developed that Dr. Morgan was not in harmony with the policy of the board. The thing dragged along for months, until finally

it became necessary for the President of the United States to take action in order to clear the atmosphere. That was done by the elimination of Dr. Morgan as chairman of the board and as member of the board. What was said by Dr. Morgan about Mr. Lilienthal and what Mr. Lilienthal may have said or thought about Dr. Morgan grew out of the differences between them in the administration of the Tennessee Valley Authority. I do not think they are pertinent here in deciding this question.

I think it is also unfortunate that this legislation comes here as an amendment on a general appropriation bill. My own opinion is that it is not in order under rule XVI. I shall not argue that point now, but rule XVI referred to by the Senator from Alabama as having been discussed by the late Senator from Oregon, Mr. McNary, prohibits on appropriation bills amendments providing for general legislation. The Senator from Oregon pointed out that the mere fact that the House may include a legislative provision in an appropriation bill does not abrogate the rule of the Senate. This is a proposal of new legislation; it changes the operation of the Tennessee Valley Authority. It requires it to put into the general fund of the Treasury of the United States all the moneys it receives from all sources as they are received, day by day, or week by week, and it certainly changes the law as it now exists, either under the original Tennessee Valley Authority Act, or under the amendment of 1935, or under the appropriation bills, and particularly the current appropriation law, which did not change the law as to that particular. Under the appropriation bill as sent to us by the House there is no attempt to change the law as it was amended in 1935, and as the law was prescribed in the appropriation bill for the fiscal year 1944. But that is another matter.

Mr. President, the Tennessee Valley Authority is a great public utility. The fact that it is a corporation created by Congress does not take away from it its character as a utility. It is furnishing power to a vast number of people within the radius of its ability. It is furnishing power to war plants which are now manufacturing essential materials for the winning of the war. It has purchased and now owns the properties of other utilities existing in the same territory, including the Commonwealth & Southern Co., for whose property it paid, as I recall, in the neighborhood of seventy-eight million and some hundreds of thousands of dollars. So that it is a utility, it has all the characteristics of a utility, and as such it must adopt the methods of a utility in its operations. That means that from day to day, it may be every day in the year, every week in the year, and every month in the year, the Tennessee Valley utility is required to be ready at any call, on any occasion, to do things within its power in order to maintain its operations as any other utility would do. That means it must send men out over its entire stretches to repair lines, or to build lines, or to do other things necessary in order to create the power which it is to distribute among its customers.

Mr. President, it has been given some flexibility, some leeway, under the law as first enacted and as amended in 1935, and in every appropriation bill that has been passed since then. It has been given the flexibility of being able, in the discretion of its board, to do the things necessary in order to create and distribute power, and at the end of the year, after deducting all its operating expenses from its entire revenues, it is required to turn the balance back into the Treasury of the United States. In 1935 Congress itself created the special Tennessee Valley Authority fund, so that even at the end of the year instead of turning the net balance back into the general fund of the Treasury, Congress itself authorized the creation and the earmarking of the Tennessee Valley Authority fund and its moneys have gone into that fund, and they have been operated in that fund from that time until now.

Mr. WILEY. Where is the fund kept?

Mr. BARKLEY. It is kept in the Treasury of the United States, just as the social-security fund is kept in the Treasury, earmarked for that purpose, the difference being, of course, that the law requires the Treasury Department to borrow the funds created by the social-security payments, but the Tennessee Valley funds are earmarked as a separate fund for the use of the Tennessee Valley Authority. That has been its practice and that has been its method of doing business.

In providing this flexibility, this leeway, Congress has not been negligent in protecting the public interest. The Tennessee Valley Authority is not only audited by a private auditing concern, the Tennessee Valley Authority is audited by the General Accounting Office of the United States Government, an agency set up as a representative of Congress to go over, item by item, all its receipts and all its expenditures, and every year the books of the Tennessee Valley Authority have been audited, and they are now being audited by the General Accounting Office. So that the General Accounting Office, a representative of Congress, with expert bookkeepers and accountants and auditors, determines by audit the amount of net balance that is left at the end of each year to be turned back into the fund created by Congress as the Tennessee Valley Authority fund.

There has never been any complaint that there has been any misappropriation of funds available for the Tennessee Valley Authority, there has never been any complaint that anyone stole any money from them. Some 3 or 4 years ago Congress authorized an investigation of the Tennessee Valley Authority, and former Senator Donahey of Ohio was appointed chairman of the joint committee. The committee spent months investigating the affairs of the Tennessee Valley Authority, and it made a comprehensive and exhaustive report to the Congress of the United States, in which, to use the vernacular, the committee gave it a clean bill of health.

Mr. HILL. Mr. President, will my colleague yield?

Mr. BARKLEY. I yield.

Mr. HILL. The Tennessee Valley Authority is not only audited by the Comptroller General, but, as my distinguished colleague knows, the Tennessee Valley Authority goes before the Bureau of the Budget and submits its estimates, where an examination of all its receipts and expenditures is made, just as in the case of other agencies.

I hold in my hand the Budget estimates of the Tennessee Valley Authority for the fiscal year ending June 30, 1945, and I shall be glad to have any Senator examine the document containing these Budget estimates. It shows in what detail the Tennessee Valley Authority submits the picture of its estimates and its receipts and expenditures. After that the Tennessee Valley Authority goes before the House Committee on Appropriations, submitting all these estimates, and for any question or investigation the committee may care to make, and it also comes before the Senate Committee on Appropriations, just as any other agency of the Government must do each year.

Mr. BARKLEY. Mr. President, I appreciate the Senator in more detail calling my attention, and the attention of the Senate, to the practices with regard to auditing. The Tennessee Valley Authority is required to justify every dollar of its expenditures before the House Committee on Appropriations, and before the Senate Committee on Appropriations, just as the War and Navy Departments or the Maritime Commission, or any other agencies of the Government are required to justify their expenditures before appropriations are made.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. HILL. Under the basic law, the Tennessee Valley Authority makes an annual report to the Congress. That annual report contains a full story of all the activities of the Tennessee Valley Authority, the details of its operations, and all its financial dealings. I hold in my hand a copy of the report for the fiscal year 1943. The report contains altogether 323 pages. It goes into every detail of the operations of the Authority, every detail with respect to all moneys collected and all moneys paid out. It gives an account of all the operations and management of the Authority and its many different ramifications. It gives a financial account.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. And, I may say, including the following statement: "Returned \$13,148,000 of net income to the United States Treasury," which it never returned. But that is not the question I want to ask the Senator. The House bill contains a provision not only to appropriate all the money necessary for carrying on all the business of the organization, but \$8,000,000 plus as a reserve fund for anything which may happen. The Senator said that this appropriation was like any other appropriation. I do not know of a single appropriation in which a reserve fund is provided for any

department of government, not even for military affairs.

Mr. BARKLEY. Of course that does not change the law. The bill as it was sent to the Senate by the House carries the appropriation as authorized by the law enacted in 1933, and amended in 1935, and by legislation enacted since that time. They could divide and earmark the fund they appropriated as they might see fit so long as they complied with the statute; that would not be legislation, and that was the point I attempted to make.

Mr. HILL. Mr. President, will the Senator yield to me to make a statement with respect to the \$8,000,000 referred to?

Mr. BARKLEY. I yield.

Mr. HILL. There are two dams, one known as the Watauga Dam and the other known as the South Holston Dam, on which certain work has been done and certain expenditures made. The construction of these dams has been temporarily held up on account of shortage of critical materials, but the \$8,000,000 was put in the measure so that if the critical materials become available and the War Production Board thinks it advisable, the Authority can proceed with the construction of the two dams, and also with the construction of the phosphate plant at Mobile, Ala.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. Mr. Lilienthal testified before the committee that he did not know when anything would be done on the other projects, but that he wanted to get to the Mobile plant as soon as possible, and as the cost of the Mobile plant will be about as much as he has placed in the reserve fund it may be that the Mobile plant is to be built out of the reserve fund. He did not testify to that, however. He did mention the possibility of the two dams in east Tennessee, the Watauga and the South Holston. But as everyone must be aware who knows anything about the T. V. A., Mr. Lilienthal is wholly opposed to the building of those dams, and stopped the building of them through the instrumentality of one of his former agents, a man by the name of J. A. Krug who is with the W. P. B., and who engineered the scheme of having the W. P. B. object to the building of the Watauga and the South Holston Dams.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. I wonder if Mr. Krug has all the power and influence with the War Production Board the distinguished Senator from Tennessee ascribes to him?

Mr. McKELLAR. Indeed he has. Not only has he as much as I ascribe to him, but more.

Mr. HILL. It seems to me that the provision for the \$8,000,000 for the construction of the two dams on which money has previously been expended, and which, of course, must be completed, was brought about through the order of the War Production Board, headed by Mr. Donald Nelson.

Mr. BARKLEY. Of course, so far as the \$8,000,000 is concerned, if the facilities for which the sum is set aside are not built, the money will not be expended.

Mr. HILL. Of course not.

Mr. BARKLEY. So that does not change the character of the appropriation. It simply sets aside that fund for the completion of facilities which have already been begun, if it is found possible to complete them, as I understand.

Mr. McKELLAR. I beg the Senator's pardon, if he will allow me to interrupt. There is no limitation whatsoever on that fund. They can use it for any purpose they want to. They can buy farm lands with it, or they can buy more phosphate lands.

Mr. BARKLEY. If that is true I am surprised that the Senator from Tennessee has not placed some limitation on it, because he has done so with respect to everything else that the Tennessee Valley Authority does.

Mr. McKELLAR. I have done it with respect to all the matters that are necessary to keep the man honest.

Mr. BARKLEY. The Senator glibly says that he has put on restrictions necessary to keep the man honest. If the man is not honest, certainly some audit would reveal that fact, and if he is not honest there is a way to prove that he is not honest, and he can be punished for his dishonesty. The entire Tennessee Valley and the utilities dependent on the Authority, as well as plants engaged in war work, should not be hampered simply to punish Mr. Lilienthal for something imputed to him, but which has not been proved or charged in any formal way.

Mr. HILL. Mr. Lilienthal has been a director of the Authority for 11 years, and certainly no one that I know of has ever been able to submit any evidence that he was dishonest, and he has twice been confirmed by the Senate of the United States.

Mr. BARKLEY. The Senator from Tennessee quoted something that Dr. Arthur E. Morgan wrote about Lilienthal in the midst of his heated personal dispute with him—about his being slick and oily and devious, I believe, and evasive. My experience and the experience of the Senator from Tennessee with Dr. Arthur E. Morgan, I think, was of a character that at least would convince me that Dr. Morgan fitted the description he gave to Lilienthal better than Lilienthal fitted into it.

Mr. McKELLAR. Under those circumstances we have a very happy pair to do this great work, do we not?

Mr. BARKLEY. I do not know whether the Senator had anything to do with the appointment of either of them.

Mr. McKELLAR. No, sir; I did not.

Mr. BARKLEY. Not even the appointment of Dr. H. A. Morgan?

Mr. McKELLAR. No; I did not know of it until after it was made.

Mr. BONE. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. BONE. I desire to inquire of the Senator from Kentucky, first, what amendments we are discussing. I have

gathered from the debate that we were discussing the amendments on pages 52, 53, 54, and 55 of the bill. They involve the propositions which were discussed by the Senator from Tennessee [Mr. McKELLAR]. They clearly appear to be legislation.

I wanted to suggest to the Senator from Kentucky that from the date the T. V. A. bill was introduced and passed in this body to the present moment I have upon occasions, as have other Senators, introduced legislation and attempted to attach it to appropriation bills, and without a single exception a point of order has been made and upheld. I am going to suggest to the Senator that I shall make a point of order against all these amendments.

Mr. BARKLEY. I may say in this connection that I have already expressed my view that the pending amendment is not in order under the rules of the Senate.

Mr. BONE. I have had the rules of the Senate invoked against me from time to time, and I am merely desirous of knowing whether we are going to throw the rules of the Senate into the wastebasket or enforce them.

Mr. BARKLEY. The Senator knows that the rules require the Appropriations Committee to make a point of order, or require the Senator in charge of the appropriation measure to make a point of order against an amendment offered from the floor which constitutes legislation on an appropriation bill. I do not know why the same rule should not be invoked against the action of the committee itself if it presents legislation on an appropriation bill.

Mr. McKELLAR. Mr. President, in answer to what the Senator from Kentucky has just said, I wish to say that before reporting these amendments I consulted the parliamentarian of this body, and the parliamentarian told me they were in order.

Mr. BARKLEY. I have consulted the parliamentarian also about that matter, and I am not going to quote what the parliamentarian had to say about it. The parliamentarian, however, I will say, when I consulted him about it, was in doubt whether the amendment was in order, and indicated that the Chair might rule either way with the possibility that he was right. So it is up to the Chair after all to determine parliamentary questions. Of course, he seeks the advice of our very competent parliamentarian, but after all the responsibility is on the Chair to rule on points of order.

Personally, I have no doubt whatever that this amendment changes the law. It provides a different method by which the T. V. A. shall turn its money into the Treasury. It provides that the T. V. A. must do so every time it receives \$5 in revenue, as and when collected; and the T. V. A. would be given no discretion whatsoever to use any of that money for ordinary running expenses or for working capital, unless it first came to Congress and received an appropriation. Thereby, we would make the Congress of the United States the board of directors to manage the Tennessee Valley Authority. I, myself, do not want, much as I honor and respect the Congress of

the United States, to have the Congress act as the board of directors of the Tennessee Valley Authority. I do not believe that 531 Members of Congress can efficiently and effectively act as a board of directors to determine whether the Tennessee Valley Authority shall repair a transmission line which is down or whether it shall build a new transmission line or whether it shall rent a building in order that it may house its employees, or to make any other determination in connection with anything which it is necessary for the T. V. A. to do in order to operate that great utility.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BONE. I quite agree with the Senator from Kentucky that the amendment would change the mechanics of operation, and certainly that clearly invades the field of legislation. If the Senate wishes to pass legislation of that sort, that is all right; I will not say the Senate has no right to do so.

Mr. BARKLEY. No; I am doing my level best to keep the Senate from passing it.

Mr. BONE. I understand that, and I appreciate what the Senator is doing.

Mr. BARKLEY. Mr. President, the Senator from Tennessee [Mr. McKELLAR] complained that Mr. Lilienthal made speeches at Rotary clubs, Kiwanis clubs, and luncheon clubs of various kinds. Of course, we all know that everyone in public life is frequently invited to make speeches before luncheon clubs. I myself have punished many a luncheon club with a speech. [Laughter.] In spite of that, I receive repeated invitations to punish them again. I am sure the Senator from Alabama [Mr. BANKHEAD] has received many invitations, not to punish luncheon clubs, but to enlighten them. We accept such invitations. Of course, it should be natural for us to wish to talk about a matter about which we know something; and I presume Mr. Lilienthal knows more about the T. V. A. than anyone else does, and knows more about it than he knows about anything else. Therefore, it would be natural for him, when talking before a luncheon club, to talk about the T. V. A. It would not only be natural but it would be proper for him to enjoin against injecting politics into the T. V. A.

Mr. BANKHEAD. Mr. President—

Mr. BARKLEY. Does the Senator from Alabama desire that I yield to him?

Mr. BANKHEAD. I shall wait for a minute or two.

Mr. BARKLEY. While the Senator is waiting, I will say that of all the organizations set up in the United States, the T. V. A. is the one organization which has gone beyond what are ordinary and reasonable bounds to keep from injecting politics into its activities; so much so, that early in its history, when many men out of employment came to me, as they came, no doubt, to the Senator from Tennessee, the Senator from Alabama, and other Senators, asking for letters of recommendation to the Tennessee Valley Authority in order to help them get a job as a blacksmith or as a carpenter or as

a ditch digger, those letters were a handicap, rather than a benefit, in connection with securing the positions they were seeking; because Congress itself in the law provided that the Tennessee Valley Authority should give no consideration to political recommendations or political affiliations in the employment of persons working under it; and in order that they might not even be accused of allowing a United States Senator or a Member of the House of Representatives to influence them by political pressure or by a political recommendation, they uniformly turned them all down. I think they were properly acting within the law and in the proper spirit in doing so.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BANKHEAD. In view of the statement made earlier in the day by the Senator from Tennessee that Mr. Lilienthal had been engaging in political activities, I desire to read a letter which came to me from Mr. Lilienthal. The letter is dated March 9, more than 10 days ago. I think it is my duty to read this letter to the Senate, in view of the statements which have been put in the Record about Mr. Lilienthal's conduct and his characteristic of never denying anything, especially never denying statements that he had engaged in political activities.

As I said, the letter was written on March 9. Today is the 22d of March. I believe it is fair to Mr. Lilienthal, in view of the statements made here today that he never made any correction or denial of charges relating to him, that his letter, written more than 10 days ago, be read into the Record at this time.

Mr. BARKLEY. I yield to the Senator for that purpose.

Mr. BANKHEAD. The letter reads as follows:

DEAR SENATOR BANKHEAD: In the hearings before the Senate Subcommittee on the Independent Offices the other day you will recall that Senator McKELLAR charged me with engaging in political activities directed against him. This accusation he repeated in the press this morning. The amendments to the T. V. A. appropriation bill he has sponsored include what constitutes a direct charge that the T. V. A. has been engaging in political activity for and against the candidates for political office.

Your own observation of the T. V. A. and of my conduct, I believe, leaves no doubt in your mind that we have scrupulously avoided any and all activity of a partisan, political character, whether involving Presidential, Senatorial, or State and local offices. So far as Alabama is concerned, I am sure you have never had word from your constituents that would sustain in any degree Senator McKELLAR's serious charge of illegality on our part.

I want to say to you, as a friend and supporter of the program entrusted to T. V. A., that:

(1) The Board of Directors of the T. V. A., from the very outset has had a formal policy forbidding any of its officials or employees from engaging in any form of political activity whatsoever. That policy was promulgated before the national policy on the subject in the Hatch Act, and is more extensive in its application than is the Hatch Act. It has been severely observed by our Board, in letter and in spirit.

(2) The writer of this letter, in the almost 11 years as a Director of T. V. A., has not once, by any act or suggestion, or otherwise, promoted the candidacy of anyone for any political office—local, State, or Federal—nor has he opposed any candidacy in anyway, directly or indirectly. Any statement to the contrary is wholly without basis in fact. Any inquiry you may make of any disinterested citizens of Tennessee or anywhere in the Tennessee Valley will confirm this statement, without qualification. This fact is well known.

We are thus writing you, as a member of the Senate subcommittee on Independent Offices and as a friend of the Tennessee Valley development, because this charge of political activity, contrary to existing law and sound policy, attacks the integrity of the T. V. A. and my integrity; for it is the heart and spirit of the T. V. A., in accordance with congressional policy written in the law, that it must never be used for political purposes. And it has never been so used.

Faithfully yours,

DAVID E. LILIENTHAL,
Chairman.

Mr. McKELLAR and Mr. WILEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I wish to call the attention of the Senator from Alabama to what was said on the floor of the Senate yesterday by the junior Senator from Tennessee [Mr. STEWART]. He said he denounced Lilienthal for making a speech against him, and that Lilienthal never denied doing so. The junior Senator from Tennessee called on Lilienthal to deny it.

I wish again to call the attention of the Senator from Alabama and the attention of all other Senators to the following statement made on July 9, 1942, during a political campaign, when Mr. Lilienthal was abusing the junior Senator from Tennessee:

Mr. Lilienthal concluded by urging citizens to find out how candidates for political office stand on the issue of continued business-like management of public power agencies.

"Your eternal vigilance is the price of low-cost electricity."

He was fighting the junior Senator from Tennessee because the junior Senator from Tennessee had voted for a bill of this kind. He was out on the stump denouncing the two Senators from Tennessee, as was clearly shown here yesterday.

Mr. BANKHEAD. The Senator does not insist that that article properly has that meaning, does he?

Mr. McKELLAR. Of course it has. What else could he be referring to? Why was he making a speech? He is not ordinarily a speechmaker.

Mr. BANKHEAD. He did not denounce anybody.

Mr. McKELLAR. He visits luncheon clubs and other organizations, making speeches. He was making them in that campaign for the purpose of defeating the junior Senator from Tennessee. Time and again he tried to defeat him, not only in this speech, but in other speeches in that campaign. He was an active fighter. Everyone in Tennessee knew that he was an active fighter in that

campaign. For him to attempt to deny it at this late date, when he was called upon to deny it at the time, is a confession that he was guilty or he would have denied it then.

Mr. BARKLEY. Mr. President, if this contest in the Senate were a political contest between the Senators from Tennessee and David Lilienthal, I would be voting for McKELLAR and STEWART. I do not know anything about what has happened in Tennessee in regard to this matter from a political standpoint; but if all that the Senator from Tennessee says is true, if Lilienthal actually made political speeches against him and called him by name and said to the people that they ought not to reelect him—which I do not understand he ever did—I still do not see why the entire Tennessee Valley Authority in Tennessee, North Carolina, Alabama, Kentucky, Indiana, Missouri, and Illinois should be punished in order to punish Mr. Lilienthal.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. I entirely agree with the Senator that the T. V. A. ought not be punished. It is not being punished. We are proposing to furnish the money to operate the T. V. A. through appropriations by Congress, instead of allowing Lilienthal to have an ever-continuing revolving fund, from which he can withdraw money whenever he wants it.

Mr. BARKLEY. That revolving fund is audited. We would be punishing the people who are customers and patrons of this enterprise if every time something were needed the T. V. A. had to come to Washington and appear before the Committee on Appropriations, and then wait until a bill could be considered by the Senate and the House, acting as a board of directors.

Mr. McKELLAR. The Senator surely does not mean that.

Mr. BARKLEY. I do.

Mr. McKELLAR. Let me say that today the Army must do the same thing. We appropriate all the money for the Army. The Army does not have to come to Congress every time it wishes to make an expenditure. It has its appropriations. The same is true of the Navy, and of every other activity of Government. It is idle to talk that way about appropriations by Congress.

Mr. BARKLEY. Even the Army and the Navy must come to Congress every month or so for increased sums by way of deficiency appropriation bills. Does the Senator want the Tennessee Valley Authority to be required to come to Congress every time it needs to expend a small additional amount of money on a facility which it is charged with the duty of operating, and obtain the additional amount through a deficiency appropriation bill before it can be expended?

Mr. McKELLAR. That is not what this amendment proposes. It simply proposes that expenditures be made from the appropriations. We propose to appropriate \$66,000,000 for the T. V. A. It will be some time before the T. V. A. can have an opportunity to spend all the \$66,000,000. We all know that if and when the T. V. A. comes to Congress with

a good reason for the expenditure of money, the money will be provided. If I did not think so, I would not be in favor of the amendment. In my judgment the T. V. A. should be treated just as every other activity of the Government is treated. It should come to Congress for its appropriations, and should pay its receipts into the Treasury of the United States. That is what we said in the first law, with the one limitation, and that is what we should say today.

Mr. BARKLEY. The Tennessee Valley Authority has been in existence for 11 years, and for 11 years it has been doing what it is now doing. There has been only one attempt to change the procedure. That was in 1942, and it was a failure. Now, after 11 years, we are asked to say to the Tennessee Valley Authority, "You shall not pursue business methods which are meticulously audited and examined by private and governmental auditors, because there is a controversy, personal in some respects, between certain Senators and someone on the board of directors."

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. I think for the sake of the RECORD it should be said that the speech to which the Senator from Tennessee repeatedly refers was delivered by Mr. Lilienthal before the Knoxville Kiwanis Club.

Mr. BARKLEY. In that connection, let me ask the Senator whether Mr. Lilienthal barged in on the Knoxville Kiwanis Club and broke down the doors in order to get in, or was he invited to appear before that organization?

Mr. HILL. I am quite certain that he was invited to appear. I have never heard of his barging in anywhere. I am sure that he was invited to come before the organization and deliver an address on July 9, 1942.

The fact is that the junior Senator from Tennessee [Mr. STEWART] felt that some things which Mr. Lilienthal said in that speech were against the interest of his candidacy. It is not for me to pass judgment on whether the junior Senator from Tennessee is correct. The fact remains that in that speech neither the name of the senior Senator from Tennessee nor that of the junior Senator from Tennessee was mentioned. But even if Mr. Lilienthal did say something in that speech which could be construed as against the candidacy of the junior Senator from Tennessee, it is the only speech and the only statement of any kind or character that the senior Senator from Tennessee has been able to submit to the Senate as being a political speech from Mr. Lilienthal. The Senator has said that not only did Mr. Lilienthal make this speech, but time and again he spoke against the candidacy of the junior Senator from Tennessee. This is the only speech that the Senator from Tennessee has been able to submit to the Senate. The senior Senator from Tennessee stated yesterday that for years Mr. Lilienthal had been making speeches fighting him. Where are all those speeches? Where are all those statements? Where will we find, aside from

this one speech, anything that Mr. Lilienthal has said against the Senator from Tennessee?

Mr. McKELLAR. If the Senator from Kentucky will yield, I shall be very happy to answer that question.

Mr. BARKLEY. I yield.

Mr. McKELLAR. Here is another statement. This is from the Chattanooga Daily Times of May 8, 1942, during the same campaign.

Mr. BARKLEY. Before what Kiwanis Club was that statement made?

Mr. McKELLAR. I do not know. We shall see. I read from the Chattanooga Daily Times of May 8, 1942:

"The Tennessee Valley Authority, throughout its 9 years of existence, has been governed by the 'rule of merit' and not 'rule of political reliability' in the selection of its personnel," Chairman David E. Lilienthal, of the T. V. A. Board of Directors, declared here last night in a speech which, in part, at least, was directed at the fight that United States Senator KENNETH McKELLAR conducted successfully in the Senate against the Authority. While the T. V. A. Board's Chairman did not use Senator McKELLAR's name at any time during his remarks—

As I pointed out the other day—

it was obvious that they were directed at him. He was here to address a mass meeting of T. V. A. workers.

He was addressing a mass meeting of T. V. A. workers and denouncing one of the Senators from Tennessee because he did not do as the great director of the T. V. A. wanted him to do.

I have referred to two occasions. There were many others. The truth is that all during that campaign this man Lilienthal went all over the State denouncing me and denouncing the junior Senator from Tennessee.

Mr. HILL. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. HILL. It is easy for the Senator from Tennessee to say that Lilienthal went all over the State denouncing him; but the language which he quoted contains no reference to the Senator from Tennessee. It speaks of the fact that we wrote into the fundamental, basic act of the T. V. A. the provision that there should be no politics, but that there should be a merit system. We even provided that if any T. V. A. employee in any way engaged in politics with reference to the personnel, he should be peremptorily fired. One of the greatest contributions the T. V. A. has made has been to prove that it is possible under our system of government to have a great governmental agency free from politics. It was not unnatural for Mr. Lilienthal, speaking to the personnel of the T. V. A., to mention the fact that they were under a merit system, free from politics.

Mr. BARKLEY. I have no way of knowing whether Mr. Lilienthal had in mind the senior or the junior Senator from Tennessee when he was urging that the T. V. A. be kept out of politics. However, I certainly feel that in urging that that be done not only was he on solid ground, but he was complying with the law itself, which went further than any other law of which I know to keep this activity out of politics, to such an ex-

tent that no one may be employed or dismissed by the T. V. A. because of his politics.

I recall that early in the proceedings I wrote a letter to Dr. Morgan, as chairman of the T. V. A. Board, recommending a man from my State who wanted to obtain a job. It is hard to refuse to write letters of recommendation when one's friends ask for such letters. Dr. Morgan replied to me, calling attention to the provision of the law which prevented political considerations. I did not write him any more letters in behalf of anyone, but I did not interpret his letter to me as an attack upon me because he was insisting that the law be observed by keeping politics out of appointments.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. STEWART. I wish to make an observation. A discussion of the 1942 campaign has been resumed here today. Again Mr. Lilienthal has been quoted. Yesterday I made a statement as to my recollection with respect to the speech made by Mr. Lilienthal at Knoxville. The speech was certainly aimed at me. Everyone with whom I talked at that time so construed it. It was during the heat of the campaign. The vote which I had cast on a certain amendment relating to the T. V. A. was an issue in the campaign. That was the picture. There could be no question about that part of it. However, as I stated yesterday, I shall not support all the amendments which are being presented here at this time. I am sorry that I cannot go along with my colleague on all of them. As I have already said, I wish to make a statement, not a speech, explaining my vote.

There can be no question about Mr. Lilienthal's political activity. I know. I have been prodded and punched by that thing once, and I carried my campaign all over the State of Tennessee feeling the effects of it. Unless I cannot understand the English language, there is no question that that man was acting politically. I believe that, in the interest of efficient operation of the T. V. A., he should be removed. I have said so, heretofore. However, so far as that is concerned, it probably has nothing to do with the handling of the money of the T. V. A., paying it into the Treasury, or handling it in one way or another. As pointed out by the Senator from Alabama yesterday, that is a different proposition. But Lilienthal was active politically in 1942. I do not believe there can be any doubt about it. And if he was, certainly the law was violated. As the junior Senator from Alabama has pointed out, persons who are employed by the T. V. A. are not supposed to take any active part in political campaigns. They are restricted, as are other Government employees, and their activities are circumscribed by certain provisions of the law which forbid active participation in political campaigns. My honest belief is that Mr. Lilienthal violated both the spirit and the letter of the law.

Mr. BARKLEY. I appreciate the Senator's statement, and he knows that I would not, by any word, gesture, or thought of mine, approve of Mr. Lilien-

thal, or anyone else holding a Government position, opposing the Senator from Tennessee in a campaign, although we all recognize that everyone has a right to vote as he pleases. I certainly would not condone any surreptitious attack, or covert or open attack, on the Senator from Tennessee in a political campaign. But my point is that, even if we admit that to be true, there is a way by which to deal with an activity of that kind. If Mr. Lilienthal is to continue as a director, he must be reappointed, and the Senate will have to confirm him. We can deal with that subject when the proper time comes. The point is that we should not, in the midst of consideration of an appropriation bill, enact legislation, which was not considered for a moment by the committee which framed the T. V. A. legislation, as a punitive expedition against Mr. Lilienthal or anyone else.

Mr. President, I have taken more time than I had intended, and I shall bring my remarks to a conclusion.

Mr. WILEY. Mr. President, I have been very much interested in the remarks of the Senator in which he gave us a picture of the financial operations of the T. V. A. I was not in the Chamber when the statement was made. As I understand, he has stated that under the present law, and the amendments now in operation, the T. V. A. operates as a business concern; it takes in receipts, makes expenditures, and at the end of the year the balance of the funds remaining is placed in an account in the United States Treasury. Am I correct in my understanding?

Mr. BARKLEY. The Senator is correct. Technically, the money does not go into the Treasury general fund.

Mr. WILEY. Does it go into a special account?

Mr. BARKLEY. Yes; but the money is under the guardianship of the Treasury, in a special T. V. A. fund.

Mr. BANKHEAD. And subject to appropriation.

Mr. BARKLEY. Subject to appropriation.

Mr. McKELLAR. Oh, no. Does the Senator state that the T. V. A. money is subject to appropriation?

Mr. BARKLEY. Of course, it is.

Mr. McKELLAR. It is subject to the checking authority of the Board, and is in no way subject to appropriation.

Mr. BARKLEY. It is subject to appropriation after the T. V. A. turns the balance in.

Mr. McKELLAR. Oh, well; the balances have not been turned in.

Mr. BARKLEY. Last year the T. V. A. turned in \$13,000,000. In the technical sense it did not go into the Treasury. It was turned into the fund, earmarked, and set aside by Congress for that purpose.

Mr. BANKHEAD. And it was appropriated for Government uses under the T. V. A. program.

Mr. BARKLEY. That is correct. Each appropriation bill dealing with this agency has provided for appropriating the money turned back into the fund by the T. V. A.

Mr. WILEY. Be that as it may, I think we understand the general operations at the present time.

With respect to page 52 of the bill, I understand the objection of the Senator is to the effect that the language there provides that all the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 and subsequent fiscal years, shall be covered, as and when collected, into the general fund of the Treasury of the United States. That language means that no longer could the Authority receive money and make normal payments in the course of business, but that every payment which had to be made would have to be paid out of the Treasury. Am I correct in that understanding?

Mr. BARKLEY. It would have to be paid out of the Treasury under an appropriation of Congress, just as any other money is appropriated and paid out of the Treasury.

Mr. WILEY. Then, am I correct in my understanding that the very crux of the issue here is whether the Authority should continue to operate in the usual way in which a private business concern would operate, or whether the funds should go into the Treasury and then be reappropriated, and payments made from that fund after the appropriations had been made?

Mr. BARKLEY. That is the sole issue.

Mr. WILEY. I thank the Senator.

Mr. BARKLEY. Mr. President, in a colloquy with me a moment ago, the Senator from Washington announced that he would make a point of order against this amendment. I do not see the Senator on the floor. I am reminded by the Senator from Wisconsin [Mr. LA FOLLETTE] that the amendment to which the point of order is to be made is the Watts Bar steam-plant amendment, and not the pending amendment. The real crux of this whole thing is the amendment on page 52. The amendments on page 51 with reference to Watts Bar steam plant, Fort Loudon Dam, and the Sheffield steam plant are not in the amendment to which the point of order is directed.

Mr. McKELLAR. They are all included in the one amendment.

Mr. BARKLEY. They are separate amendments.

Mr. McKELLAR. No; they are not separate; they are all a part of one amendment.

Mr. LA FOLLETTE. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. Are not the amendments appearing on page 51 and page 52 separable?

The VICE PRESIDENT. From a parliamentary point of view, they are separable.

Mr. LA FOLLETTE. They would be considered as separable. They are separate amendments. For instance, the amendment on page 51 begins in line 17 and strikes out certain words but does not propose to insert anything. That must be the first amendment.

The VICE PRESIDENT. The amendment now under consideration is in line

14, page 51, to insert the word "of", which has not heretofore been agreed to.

Mr. McKELLAR. Mr. President, let me call the attention of the Chair to the fact that the words "Watts Bar steam plant; Fort Loudon Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project)" are a part of the sentence that ends on page 53 with the words "the general fund of the Treasury of the United States." I will read it to the Senator.

Mr. LA FOLLETTE. The Senator does not have to read it. If the Senator from Kentucky will pardon me—

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. Obviously, whether it is one sentence or whether it is not it proposes to affect very different subjects matter, and obviously, under all parliamentary law and procedure and the rules and precedents of the Senate, these amendments should be considered separately.

Mr. McKELLAR. I have no objection to their being considered separately, but they are a part of one sentence.

Mr. LA FOLLETTE. That has nothing to do with whether or not the amendments are separable.

Mr. BARKLEY. Mr. President, if we were voting on these amendments in the ordinary course we would vote on them separately, whether they are a part of one long sentence or whether they are a part of four or five different short sentences.

Mr. McKELLAR. Why not let us vote on them?

Mr. BARKLEY. The amendment on page 51 striking out Watts Bar steam plant, Fort Loudon Dam and the Little Tennessee River extension have no connection whatever with the language at the bottom of page 52 which deals with the handling of the funds.

Mr. McKELLAR. If it will help any to obtain a vote, I am perfectly willing to have them considered separately.

The VICE PRESIDENT. The question is on agreeing to the amendment in line 14, page 51.

Mr. McKELLAR. I suggest the absence of a quorum.

Mr. LA FOLLETTE. Mr. President—

The VICE PRESIDENT. Does the Senator from Tennessee withhold his point of no quorum?

Mr. McKELLAR. I withhold it.

Mr. LA FOLLETTE. Mr. President, I do not think the Senator from Kentucky had concluded his remarks.

Mr. BARKLEY. No; I had not quite concluded.

Mr. LA FOLLETTE. I understand the Senator from Illinois [Mr. Brooks] wishes to be heard, and when it comes to considering the specific amendments I myself want to be heard briefly. The amendments will have to be taken up in the usual parliamentary manner and be considered in their order. I do not want any confusion to exist that, because the Senator from Tennessee is willing to have them considered separately, when they have to be considered that way, it is going to have any effect on the debate.

Mr. BARKLEY. Mr. President, I had about concluded. I had intended to read

a number of telegrams and letters from people in Kentucky and Tennessee and Alabama in opposition to this amendment and attempting to state what the effect of it would be upon their communities and their public utilities; but I shall not take the time of the Senate to do that. I may say, however, that I have scores of such communications, including resolutions adopted by organizations in Tennessee and Alabama and in the State of Kentucky, opposing this amendment. I shall not encumber the RECORD with them, but simply wish to state, in conclusion, that I think it would be really a tragedy for this amendment, that is the crux of these amendments, to be adopted. There are a number of amendments, some of them limiting the number of automobiles which may be bought, and all that sort of thing, the wisdom or folly of which I am not now discussing. I am talking about the fundamental question of changing the law relative to the handling of the funds, the receipts and disbursements, and especially the receipts of the Tennessee Valley Authority. So I hope that the amendments in that particular at least will not be agreed to.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. The Senator is right about that being the crux of the matter. I am perfectly willing, if the Senator is, to vote on that amendment now, and to vote on the others later.

Mr. BARKLEY. I do not imagine it will take long to dispose of these technical amendments.

ASSAULTS ON CONSTITUTIONAL FORM OF GOVERNMENT IN THE UNITED STATES

Mr. BROOKS. Mr. President, for 12 years the American people have been witnessing assault after assault upon their traditional constitutional form of government. These assaults have been made not only in disregard of, but sometimes in apparent contempt for, the constitutional safeguards protecting the liberties of our people and limiting the powers of Federal governmental officials over them.

These assaults have been made always behind the smoke screen of propaganda poured out to confuse the people and portraying imaginary necessities during depression, emergencies, and now war.

The present assault is a demand for a national service law under which all of our people would truly be subjected to the rules and regulations of a "commander in chief."

We still live in a free country under a Constitution guaranteeing a representative republican form of government. Under our system, both labor and private enterprise are producing the greatest supply of war materials ever known in the history of the world. They have brought about the production miracle of the ages—one which has astounded not only our enemies, but our allies as well. Now, to say that any individual shall be conscripted under Government direction to work for any private employer smacks of that involuntary servitude to rid ourselves of which our Nation once engaged in a bitter Civil War.

While 10,000,000 men are away from home in the armed services fighting for American freedom, we, above all others, should defend their wives, sisters, daughters, and families from involuntary servitude and serfdom. Conscription of labor in America would destroy rather than implement our miracle of production, and might well destroy our free country.

No program to conscript labor fits into the fabric of our free Government. Labor slavery might properly fit into the communistic theories of some New Deal bureaucrats. The "fellow travelers" who map out New Deal policies and want to determine in detail each individual life find that they can do so only when they can completely dictate those lives.

Under a national service law, bureaucrats could tell each free American when to work, where to work, how much to work for, and how long. The Constitution provides:

The President shall be the Commander in Chief of the Army and Navy of the United States and of the militia of the several States when called into the actual service of the United States.

That, and nothing more. There is nothing in the Constitution that says he shall be the Commander in Chief of the Nation or of the people—not yet.

A draft-labor scheme fits perfectly into the general program of aggressive "power grabbing," which has been the distinguishing characteristic of the New Deal. Each pretended crisis in government has been marked by new evidences of this underlying mania for power—power over the States; power over private enterprise; power over resources; and now power over the rights of all our people.

This determined effort to control the lives of American people is evidenced constantly by the mass of directives, edicts, and Executive orders flowing constantly from the heads of the bureaus. The present unpardonable confusion prevalent throughout the country has been caused by conflicting rules and estimates constantly being issued by the War Manpower Commission, the Selective Service, and the War Production Board.

Mr. President, compulsion born of this constant confusion can never be made a substitute for the unity of purpose of a free people.

The American people have shown a willingness to go to any extreme in sacrifice to preserve their liberty, their form of government, their security, and their opportunity to contribute to the welfare of mankind. What they want now is a well-considered, permanent, and orderly plan to meet the real problems of this global war and the perplexing problems that will inevitably follow. That can only be given them by a leader surrounded by competent liberty-loving Americans dedicated to maintain the freedom of our people at home—the freedom for which our men are fighting abroad.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. AIKEN. Mr. President, I have always been interested in the great American experiment known as the Tennessee Valley Authority, although I have not always agreed with all its policies. I knew Dr. Arthur Morgan when he was Director of the Authority. I had a great deal of respect for him, and considered him one of the most honest and courageous of Government servants at that time. I felt that he was unjustly treated and unjustly removed from office, and I still entertain that belief.

Mr. President, I feel that we are not voting on Dr. Arthur Morgan or Mr. David Lilienthal today. We are going to vote as to whether we will take any steps to restrict the work of the great Tennessee Valley Authority at this time.

I think we might do well to consider what work the T. V. A. is doing today. It is doing work which affects the life of practically every person in the United States, and particularly the work being carried on and the production being made on every farm.

Besides producing 9,000,000,000 kilowatt-hours of electricity, most of which has been going into war production, the Tennessee Valley Authority has been producing large quantities of ammonia, ammonium nitrate, and phosphorus, for munitions; and calcium carbide for synthetic rubber.

It has been aiding farmers in producing more food without additional manpower, through improved farming methods based on T. V. A. phosphate fertilizers distributed in 29 States. If I read the amendments correctly, they would put a stop to the distribution of any of this fertilizer for experimental work in these 29 States, unless the consent of the county agent of the county had previously been obtained.

T. V. A. has supplied thousands of tons of concentrated phosphatic fertilizers for the food-production program of Great Britain.

It has constructed new electric-generating plants at a rate which kept power supply ahead of expanding war needs, and all of us should be familiar with the part the T. V. A. has played in the production of aluminum during our greatest need for aluminum.

T. V. A. has trained Army medical officers in malaria-control methods. It has developed equipment and techniques for preserving foods by quick freezing and by dehydration. I know of some of this work, because for several days I presided over subcommittee hearings at which representatives of the T. V. A. testified, and demonstrated the dehydrating outfit which had been perfected by the T. V. A.

The T. V. A. has made available to industry surveys of new sources of critical raw materials urgently needed in the war effort.

It has developed new methods of producing aluminum from common clays, and magnesium from native olivine.

Mr. President, the part of the work of T. V. A. in which our people in the Northeast have been particularly interested has been that having to do with the fertilizer situation. About 2 years ago we began to experience a critical shortage of nitrates, and the T. V. A. went to work on the production of ammonium nitrates. At first the product would gather moisture so that it would not go through the fertilizer spreader, and it did not work out so well. A year ago they started experimenting with ammonium nitrate, and finally perfected a process by which it can be manufactured and kept dry and made available for use months afterward.

A few nights ago I was talking with the manager of the largest farm cooperative in New England, the Eastern States Farmers' Exchange. He told me that ammonium nitrate which has been developed by this new process, partly through the efforts of the T. V. A., is now keeping perfectly, and they are using all of it they can get.

Ammonium nitrate, incidentally, will provide American farmers with nitrogen at two-thirds the cost of imported nitrate of soda. I do not give T. V. A. all the credit, because private concerns have also been doing experimental work, but I dare say that if it had not been for the work which has been done on fertilizer by the T. V. A. we would today be paying at least twice as much for nitrates and phosphates as we are paying. If we were paying twice as much, we would not be producing nearly what is being produced on the farms today.

We are now experiencing a serious labor shortage, and we all know that heavier applications of fertilizer will go part way in making up the labor shortage, through producing greater amounts on smaller areas.

Only last month, or the month before, a delegation representing the farmers from the northeastern section of the United States called on me and asked me to do what I could to help T. V. A. secure a new phosphate plant, because they were desperately in need of more superphosphate, and this seemed to be the only way by which they could get it.

I say, therefore, Mr. President, that I shall not vote today on Mr. Lilienthal or Dr. Morgan, or any other personalities. I think we spend too much time legislating around personalities anyway. But I wish to say, in conclusion, that any crippling of the Tennessee Valley Authority, or any unnecessary restrictions on its work at this time, would produce an unfavorable effect, which would be felt on every farm in the United States.

Mr. STEWART. Mr. President, I know there are a number of amendments to be considered, and I understand they will be considered separately.

I shall not attempt to make a speech, but merely a brief statement explaining my vote on the most controversial amendment, that is, as to the proposal to cover into the Treasury the Tennessee Valley Authority funds.

About 2 years ago I voted for a measure which, among other things, would have made the Tennessee Valley Authority cover into the Treasury of the United States all its receipts. The measure failed of congressional approval at that time.

Essentially the same measure, along with others, is again before us. I believed 2 years ago, and I still believe, it is sound policy to require all agencies of the Government to be responsible to Congress for the money they get, and accountable to it for what they spend. I believed that so strongly then that I felt the measure offered should be passed, even though we were entering into a great war. There were hypothetical reasons advanced why such a change in the manner of operating T. V. A. affairs should not be undertaken during wartime.

Two years have elapsed, and we are now deeply engrossed in that war. Indeed, we are now perhaps at a critical juncture in our prosecution of it. Our productive facilities and our manpower are now taxed to their limit. Our armed forces in the European theater are at the moment probably poised for a full-fledged invasion attack. The exigencies and demands of such an engagement are virtually unpredictable. The present need for unhampered agricultural and industrial production in the Tennessee Valley is of paramount importance. I do not think anyone here would gainsay the great stress of our situation.

If there were no other consideration involved save the mere changing of the manner in which T. V. A. accounts for its expenditures and secures money with which to operate, I would insist that the law even now could be changed without injury to the great work of T. V. A., or of the many enterprises and industries dependent upon it for electric power. But such is not the case.

Since this issue has been revived recently I have received reports from numerous men engaged in various enterprises which are dependent on T. V. A. for power—from members of rural electric cooperatives, farm organizations, from manufacturers, from public and business leaders throughout the valley, and from users of T. V. A. power generally. I have made considerable inquiry of my own and I have pondered the reports that have come to me.

On the basis of the claims made and of the common state of mind manifested among those engaged in wartime production in the valley, I have concluded that, regardless of the soundness of the idea involved, a change-over at this time might produce harmful results. There is no rule but has its exception; there is no principle infallible. The question involved has ceased to be one of a sound, or unsound, idea of fiscal government, but of the state of mind of the people in the valley and of the enterprises vital

to this war that are contingent upon their concentrated and undisturbed effort.

It is manifest that the people of the valley in overwhelming number believe the proposed amendment will prove hurtful to T. V. A.

Any diversion of their attention from their wartime tasks, any dissipation of their energies in uncertainties and confusion growing out of the problematic effect of the proposed change might result in a loss of graver consequences than the good to be gained. I am so impressed with the dangers involved in making any change in a situation now operating with apparent smoothness that I must vote against a measure which under other circumstances I might support.

It is provided in the original Tennessee Valley Authority Act that the principal offices of the Corporation shall be at Muscle Shoals, Ala. This provision was placed in the law for the simple reason that all corporations must have a principal office or situs for the purpose of the service of civil process, etc. This is not a provision that would require the actual active working office to be located there, but, as a matter of fact and as a matter of law, the Authority can maintain operating offices anywhere in the valley and, in the interest of efficient operation, such flexibility is both desirable and essential because of the widespread area now covered by the Authority, which is, in fact, operating in seven or eight States.

Of course, I vigorously oppose the provisions proposed to be placed in the act as committee amendments prohibiting the expenditure of money for principal offices anywhere except at Muscle Shoals. The present set-up should be left undisturbed.

Mr. LA FOLLETTE. Mr. President, I shall not take any considerable time in discussing the background and the history of this great enterprise on the Tennessee River. When I first came to the Senate in 1925, and as a secretary to my father for the 6 years preceding, I witnessed the struggle to prevent the great Muscle Shoals Dam and the power plants and nitrate plants which had been constructed there from being turned over to private bidders for a song. After I became a Member of the Senate I joined as best I could in my humble way in helping the then great senior Senator from Nebraska, George W. Norris, in that fight. I did all in my power to further the enactment of the Tennessee Valley Authority legislation. And since that time, whenever opportunity has offered here in the Senate, I have given my wholehearted and vigorous support to the enterprises. I have done so, Mr. President, because from early youth I have been impressed with the great wastage of our natural resources which has occurred in the development of this great Nation which is a slice of a continent.

In the Tennessee Valley Authority experiment we have for the first time in any great river valley in the world attempted to develop all of its natural resources, to conserve them, and insofar as possible to restore them in order that

they may be maintained for oncoming generations in such magnitude and plenitude that they may afford a sound and an adequate basis for a continued civilization in this Nation.

It seems tragic to me, Mr. President, that after this experiment has gone through its initial stages of development and has attained the great success which it has achieved, that it should now be subjected to proposal contained in a series of amendments which inevitably would cripple and greatly impair the operations of the enterprise. It seems passing strange to me, Mr. President, that support for these amendments should come in many instances from those who are often critical of the lack of business principle and practice in governmental operations. And yet these proposals taken as a whole will have the effect of preventing this gigantic enterprise in which more than \$750,000,000 of the taxpayers' money has been invested, from operating on sound business principles, principles and practices which are followed by every corporation in the United States that is properly and prudently managed.

Mr. BONE. Mr. President, will the Senator yield.

Mr. LA FOLLETTE. I yield.

Mr. BONE. I merely want to call the Senator's attention to one provision on page 53, line 17, which forbids paying for advertisements in newspapers. I want to suggest in that connection that every private power company in the United States is at this moment and day by day putting full page ads in the newspapers telling about their contributions to war work, and in my own State of Washington they are getting ready now to put on a national campaign of advertising which will be paid for by the light and power users of my State.

Mr. LA FOLLETTE. I appreciate the Senator calling attention to that matter. It is perhaps one of the more minor amendments of the character which I have been attempting to describe in general language, but it shows the danger of a committee of Congress, or the Senate or the House, or the Congress as a whole, attempting to sit in and participate in the management of a giant enterprise of this character.

The facts are, so far as newspaper advertisements are concerned, that the Tennessee Valley Authority has never indulged in any newspaper advertising such as the Senator from Washington has indicated the private power companies undertake. It has never indulged in any general advertising of a self-laudatory character pointing out its service to the people who live in this great river valley and who are served by this giant utility enterprise. The only advertising that they have ever engaged in, Mr. President, was when they joined in the campaign of advertising as a part of the utility system of southeastern United States at a time of a drought, appealing to people not to waste electrical energy. The only other types of advertising they have indulged in is help-wanted advertising when they are short

of manpower in this critical manpower situation.

Yet, Mr. President, we have here a proposal solemnly presented by a great committee of the Senate prohibiting this \$750,000,000 enterprise from utilizing newspaper advertisements in an effort to find replacement for employees who are drafted into the armed services of the United States. Is that the kind of business policy that the Senate of the United States is going to inject when it first indulges in interference with the management of this corporation?

Mr. President, that is just a flyspeck so far as these amendments are concerned. As I said before, the general character of these amendments can have no other effect than to cripple the operation of this giant enterprise, to cripple it in the midst of the most serious war this Nation or any other nation has ever been engaged in, and to cripple it at a time when products manufactured with the power developed by this giant system are critically needed by the men on the battle fronts all over the world and by the men who are on the high seas in the Navy of the United States, scattered around the entire globe.

Mr. President, I wish to say that in my humble opinion it is a vital mistake even for those who have never subscribed to the principles or the objectives of the T. V. A. to join in responsibility for adopting these amendments, for the moment Senators do so, they must assume responsibility for the management of the project, inasmuch as they will then have relieved the board of directors of the T. V. A. of its sole responsibility for management, which it now must fully assume and discharge. By adopting the amendments, the Senate would give the Board of Directors a sound alibi for any future mistake or failure which it might make. I venture to say that if these amendments become law, they will be thrown back into Senators' teeth again and again in the future.

Now I wish to discuss briefly the first amendment. I cannot believe any person who has given consideration to this matter could be in favor of it. The first amendment of substance—I am skipping the pending amendment, which provides for the injection of the word "of" in line 14—appears on page 51, line 17, and proposes to strike out the following words: "Watts Bar steam plant."

Mr. President, the Watts Bar steam plant was specifically authorized by Congress, just as every other dam, power unit, and waterway this great enterprise has constructed has been authorized. It is complete misrepresentation to say that the Congress of the United States has not definitely and specifically authorized by statute every unit of this great system. In the course of that authorization the Congress authorized the construction of the Watts Bar steam plant. Ninety percent of the work on that project will be completed by the end of this fiscal year. Four million dollars of money will have been invested in it. The Watts Bar steam plant has a capacity of 60,000 kilowatts. It is a part of the integral power-development program in connection with the war effort. It has been relied upon by war

industries in the Tennessee Valley to provide additional power for the fulfillment of their war contracts. If the majority of the Senate follows the recommendation of the Appropriations Committee and strikes out the provision for the Watts Bar steam plant, it will have to assume responsibility for denying electrical energy needed, necessary, and essential to the war effort in the Tennessee Valley. If in the future on the battle fronts of the world, during the present war effort, there are shortages of materials which could have been manufactured by use of the electrical energy this 60,000-kilowatt plant could have furnished, the responsibility will rest upon the majority of the Senate which votes to adopt the amendment, and to do so after Congress has already authorized construction of the plant, which will be within 90 percent of completion on June 30, 1944. Mr. President, if the Senate adopts this amendment, and fails to permit the Tennessee Valley Authority to complete the project, the Senate will have sunk \$4,000,000 of the taxpayers' money into a steam-power electric plant which will not be able to turn a wheel or develop a single kilowatt of energy at a time when this Nation is short of electrical energy.

Mr. AUSTIN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Vermont?

Mr. LA FOLLETTE. I yield.

Mr. AUSTIN. I ask the Senator how much money is involved in the completion of the Watts Bar steam plant.

Mr. LA FOLLETTE. I cannot say exactly. If it is within 10 percent of completion, it would be a very rough guess, inasmuch as \$4,000,000 has already gone into it—

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield.

Mr. DANAHER. On page 427 of the hearings, Mr. Lillenthal said that the total amount will be approximately \$18,000,000 for the entire plant.

Mr. LA FOLLETTE. Of course, this unit is 90 percent complete, and can well be completed during the next fiscal year.

One other point I wish to make about it is—

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. To complete the Watts Bar steam plant, \$525,000 will be needed. But the trouble is that the War Production Board has stopped the completion of those steam plants. So it is not necessary for the Congress to appropriate the money for the plant, inasmuch as action toward completion of the plant could not be secured even after the Congress had appropriated the money.

Mr. LA FOLLETTE. Mr. President, I dislike to differ with the Senator from Tennessee, but my information is that this project was not one of the projects stopped by the War Production Board. It was one of the projects the War Production Board recommended in view of the necessity for the 60,000 additional kilowatts of electrical energy. As a matter of fact, it is only with the approval

of the War Production Board that the necessary priorities could have been issued. Otherwise, the necessary materials could not have been obtained. Without the authorization of the War Production Board, construction of the plant would have had to be stopped.

It is true that the War Production Board did stop the construction of the Watauga Dam and some of the other dams which Congress had authorized; but the addition of this 60,000-kilowatt steam plant was specifically recommended by the War Production Board. If the Senate agrees to this amendment, the Senate will be flying in the face of its own authorization, will be flying in the face of the expenditure of \$4,000,000 which has already been made thereunder, and will be flying in the face of the recommendation of the War Production Board that this steam unit be completed. Mr. President, I simply cannot believe that the majority of the Senate will indulge in such an action at this time.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. REVERCOMB. Will the able senior Senator from Wisconsin clarify the figures which have been cited? The Senator said \$4,000,000 has already been expended, and we are advised that \$18,000,000 will be necessary to be spent in order to complete the plant.

Mr. LA FOLLETTE. I think the Senator from Connecticut [Mr. DANAHER] took the total figure for the projected total units in the future.

Mr. DANAHER. For four units.

Mr. LA FOLLETTE. But the Watts Bar steam plant is merely one unit which was recommended by the War Production Board, because the War Production Board found, after a careful survey, that it needed this 60,000-kilowatt-capacity plant in order that there should be energy available for war production work in the Tennessee Valley.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I am glad to yield.

Mr. REVERCOMB. Can we not be advised with some definiteness as to what amount of money would be necessary to be expended in order to complete this unit?

Mr. LA FOLLETTE. According to the Senator from Tennessee, it would cost about \$525,000 to complete this single unit. The figures of the Senator from Connecticut apply to three additional units which have been projected as a part of this project in the future.

Mr. REVERCOMB. As I understand, the Senator from Wisconsin is interested only in this one particular unit at this time?

Mr. LA FOLLETTE. I am not interested in it at all personally. I am interested in it only because I feel that it would be a tragic mistake, merely because there may be some feeling against the T. V. A. or some member of its Board, or because there may be Senators who, had they been here in the first place, would not have approved a government enterprise of this character, to take a step at this time which I think the

bare facts prove would interfere with the war effort. I wish to emphasize to the able Senator from West Virginia that no alternative power is available.

Mr. REVERCOMB. I did not mean to indicate for a moment any personal interest on the part of the Senator from Wisconsin other than his interest as a Senator and a member of the National Government.

Mr. LA FOLLETTE. I appreciate that.

Mr. REVERCOMB. Is the Senator arguing for the completion of this one unit, or for the completion of the four units at this time?

Mr. LA FOLLETTE. I am arguing only for the completion of this one unit. That is all that would be involved if the committee amendment were rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 51, line 14.

Mr. LA FOLLETTE. Mr. President, as I understand, the pending amendment is to strike out the Watts Bar steam plant.

The VICE PRESIDENT. The pending amendment is on page 51, line 14, after the word "provisions" to insert the word "of."

Mr. LA FOLLETTE. I have no objection to that.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The clerk will state the next committee amendment.

The CHIEF CLERK. Under the heading "Tennessee Valley Authority," on page 51, line 17, after the word "Kentucky" it is proposed to strike out "Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project)."

Mr. LA FOLLETTE. Mr. President, these are separate projects, and should be separately considered. There is a semicolon after the word "plant" in line 18.

The VICE PRESIDENT. If the Senate so desires, the items will be divided.

Mr. BARKLEY. Mr. President, it is my understanding that it is considered desirable by the Senator from Tennessee and others to take a recess at this time until tomorrow. Is there any objection to meeting at 11 o'clock tomorrow?

Mr. McKELLAR. I hope not, because I am very anxious to get through with this bill. I hope we can meet at 11 o'clock tomorrow.

Mr. WHITE. Mr. President, may I presume to answer for myself the inquiry of the Senator from Kentucky?

Mr. BARKLEY. Certainly.

Mr. WHITE. I think it is highly desirable that we proceed with all reasonable expedition in the consideration of this measure and its final disposition. So far as I am concerned, if we take a recess now, which I think is altogether appropriate, I have no objection to meeting at 11 o'clock tomorrow.

Mr. BARKLEY. I think we should do so.

Mr. McKELLAR. Mr. President, can we not vote on some of these amendments?

Mr. LA FOLLETTE. Mr. President, there will be some discussion of the other amendments.

Mr. McKELLAR. We have just had discussion of the Watts Bar steam plant. Let us vote on that amendment.

Mr. HILL. Mr. President, there will be a discussion on each of these amendments.

Mr. BARKLEY. Mr. President, it is nearly 5 o'clock. We cannot conclude consideration of the bill today, and we cannot conclude consideration of the controversial amendments. In view of the fact that we have practically agreed to meet at 11 o'clock tomorrow, we might as well take a recess at this time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4410) to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4410) to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty, and it was signed by the Vice President.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States nominating Rear Admiral Robert C. Griffin, United States Navy, to be a vice admiral in the Navy, for temporary service, while serving as Commander of the Caribbean Sea Frontier, which was referred to the Committee on Naval Affairs.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of a committee were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:
Sundry postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

GOVERNOR OF ALASKA

The legislative clerk read the nomination of Ernest Gruening to be Governor of the Territory of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

The VICE PRESIDENT. Without objection, the nominations in the Public Health Service are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

The VICE PRESIDENT. Without objection, the nomination in the Navy are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

REGULATION OF CERTAIN INSURANCE RATES IN THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of legislative business.

Mr. O'MAHONEY. Mr. President, on February 16 the Senate passed Senate bill 1029, a bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes. This measure came to the floor of the Senate from the Committee on the District of Columbia, of which the senior Senator from Nevada [Mr. McCARRAN] was chairman at that time. The junior Senator from Ohio [Mr. BURTON] was a member of the subcommittee which had charge of this bill. It had been my intention when the bill came before the Senate to offer certain amendments.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHITE. Has the Senator from Wyoming submitted those amendments to the Senator from Ohio [Mr. BURTON]?

Mr. O'MAHONEY. I have.

Mr. WHITE. And have they his approval?

Mr. O'MAHONEY. They have. I was about to say that while I have not undertaken to present all the amendments which it was my original intention to present, I recognize that this measure is a substantial contribution to the improvement of the insurance law of the District of Columbia. I have submitted three amendments to the Senator from Nevada [Mr. McCARRAN] and the Senator from Ohio [Mr. BURTON]. I ask unanimous consent that the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, be reconsidered, in order that these three amendments may be adopted.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed are reconsidered.

Mr. O'MAHONEY. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The VICE PRESIDENT. The first amendment offered by the Senator from Wyoming will be stated.

The LEGISLATIVE CLERK. On page 3, at the end of line 11, it is proposed to strike out the period and insert a colon and the following: "Provided, That nothing in this act shall be construed to repeal existing law prohibiting discrimination in individual risks or classes of risks."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. BURTON. Mr. President, at this point let me say that I concur in the statement just made by the Senator from Wyoming. He has submitted to me and to the Senator from Nevada [Mr. McCARRAN] the three amendments which he has just offered. I believe there is no substantial objection to any one of them, and I am glad to give approval to them. Personally, as the one who reported the bill in the first instance, I believe that the amendment just agreed to is clearly in order, as it preserves the present regulation against discrimination in individual risks or classes of risks, which it was intended to preserve in the first instance. This amendment clarifies the situation.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. DANAHER. This morning I read in the Washington Post that a Member of the House from New Mexico, as I recall, had yesterday brought before the subcommittee of the District of Columbia Committee in the House a bill dealing with insurance rates in the District of Columbia; that it was the purpose of Hon. JENNINGS RANDOLPH to call a meeting of the full District Committee in the House to act upon the report of the subcommittee; and that some effort had been made yesterday in the subcommittee in the House to bring up the so-called McCarran bill, which is the bill now under consideration, but that such effort had been blocked.

Is it the purpose of the Senator from Wyoming, by the amendments which he now offers, to render the so-called McCarran bill, Senate bill 1029, in consonance with the bill which is being brought up by the Representative from New Mexico?

Mr. O'MAHONEY. That is not an exactly accurate statement of the facts. The bill brought up by the Representative from New Mexico varies in considerable detail from the bill which was approved by the District of Columbia Committee.

Mr. DANAHER. That is my understanding.

Mr. O'MAHONEY. I have not offered any of the changes which were made by the Representative from New Mexico in the House; but unless the bill introduced by the Senator from Nevada [Mr. McCARRAN] and approved by the District of Columbia Committee is passed tonight, so that it may be considered in the House, there is grave danger that the valuable work which has been done by the District of Columbia Committee, by the Senator from Nevada, and by the Senator from Ohio will go for naught. I desire to

offer these perfecting amendments tonight and have the bill passed so that it will be before the District of Columbia Committee of the House tomorrow when it meets.

Mr. DANAHER. So that the Senator's real purpose may be stated thus, as I understand, that the McCarran bill, Senate bill 1029, as amended, will then receive consideration with the bill which is being reported by the subcommittee to the full House Committee on the District of Columbia?

Mr. O'MAHONEY. Precisely.

Mr. DANAHER. I thank the Senator.

The VICE PRESIDENT. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. The next amendment is on page 5, line 15, to strike out the period after the word "proceedings", and insert a comma and the words "and shall file a copy thereof with the superintendent."

The amendment was agreed to.

The next amendment was, on page 4, line 19, after the word "District" and the period, to insert "Each member company of the rating bureau shall have one vote in all matters affecting the operation or affairs of the bureau."

The amendment was agreed to.

Mr. McCARRAN. Mr. President, in keeping with the remarks of the Senator from Ohio, let me say that these amendments offered by the Senator from Wyoming have been considered by both the Senator from Ohio and myself, and we believe they may properly become a part of the bill that is before the Senate at this time, and we hope that the bill may be enacted so that the legislation may become effective as soon as possible.

The VICE PRESIDENT. If there be no further amendments to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted, etc., That in this act, unless the context otherwise requires—

"District" means the District of Columbia;

"Superintendent" means the Superintendent of Insurance of the District of Columbia;

"Company" means any insurer, whether stock, mutual, reciprocal, interinsurer, Lloyd's, or any other form or group of insurers;

"Agent" means and shall include any individual, copartnership, or corporation acting in the capacity of or licensed as a "policy-writing agent," "soliciting agent," or "salaried company employee," as defined under section 3, chapter I, of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1064; D. C. Code, 1940 edition, title 35, sec. 1303); and

"Broker" means any person who for a consideration acts or aids in any manner in the solicitation or negotiation on behalf of the assured of contracts of insurance.

Sec. 2. The provisions of this act shall apply to insurance in the District of Columbia against loss of or damage to property or any valuable interest therein by or as a consequence of fire, lightning, tornado, and windstorm, or any one or more of such hazards, including all supplemental, additional, or extended forms of coverage written in connection with fire insurance, and including any policy which insures property, while it is at a permanent location, against the hazard

of fire, lightning, tornado, or windstorm; but this act shall not apply to ocean marine, transportation, or motor vehicle insurance, nor to insurance covering the property of interstate common carriers, nor to any form of insurance designated by the superintendent as inland marine insurance.

Sec. 3. The superintendent is empowered to investigate the necessity for an adjustment of the rates on any or all insurance risks within the scope of this act, and to order an adjustment of such rates whenever he determines, after investigation, that the profit derived therefrom for a period of time not less than 5 years immediately preceding such investigation is excessive, inadequate, unjust, or unreasonable. In determining the necessity for an adjustment of rates, the superintendent shall give consideration to the conflagration hazard, both within and without the District. The superintendent is also empowered, after investigation, to order removed, at such time and in such manner as he shall specify, any discrimination existing between individual risks or classes of risks: *Provided, That nothing in this act shall be construed to repeal existing law prohibiting discrimination in individual risks or classes of risks.*

Any person, firm, or corporation aggrieved by any order, ruling, proceeding, or action of the superintendent, or any person acting in his behalf and at his instance, may appeal to the Commissioners of the District, or contest the validity of such order, ruling, proceeding, or action in any court of competent jurisdiction by appeal or through any other appropriate proceedings, as provided under sections 44 and 45 chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D. C. Code, 1940 ed., title 35, secs. 1348 and 1349).

Sec. 4. Within 120 days after the approval of this act and under the supervision of the superintendent, the insurance companies authorized to effect insurance in the District against the risk of loss or damage by hazards within the scope of this act shall organize a rating bureau for the purpose of administering rates for such insurance, and all such companies now or hereafter authorized to transact such business in the District shall be members of such bureau. The government of the rating bureau shall be vested in its members and it shall not be subject to the direction or control of any other bureau, association, corporation, company, individual, or group of individuals. The rating bureau shall have power to establish reasonable agreements and bylaws for its governance, and shall be permitted to adopt reasonable rules and regulations necessary to carry out its functions, but such agreements, bylaws, rules, and regulations shall not be inconsistent with the provisions of this act, and the same and amendments thereto shall be approved by the superintendent before becoming effective. The rating bureau, subject to the approval of the superintendent, shall apportion the expenses of its operation among its members in proportion to the premium income on risks in the District. Each member company of the rating bureau shall have one vote in all matters affecting the operation or affairs of the bureau.

Sec. 5. No company, agent, or broker shall issue or deliver, or offer to issue or deliver, or knowingly permit the issuance or delivery of, any policy of insurance in the District which does not conform to the requirements approved by the superintendent: *Provided, however, That a company may deviate from such requirements if the company has filed with the rating bureau and with the superintendent the deviation to be applied, and provided such deviation is approved by the superintendent. If approved, the deviation shall remain in force for a period of 1 year from the date of approval*



The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the resolution (H. J. Res. 234) to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of further regulating interstate and foreign commerce in tobacco, and for other purposes, which had been reported from the Committee on Agriculture and Forestry, with an amendment, on page 2, after line 11, to insert the following:

Resolved, That Public Law 118, Seventy-eighth Congress, approved July 7, 1943, is amended by striking out the words "marketing year 1944-45" and inserting in lieu thereof "marketing years, 1944-45, 1945-46, and 1946-47."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. If there be no further amendment to be offered, the question is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed; and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 234) was read the third time, and passed.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. McKELLAR. Mr. President, by the direction of the Committee on Appropriations I withdraw certain of the committee amendments to the provisions of House bill 4070 relating to the Tennessee Valley Authority, and propose modifications in some of the remaining committee amendments to such provisions, as were reported from the committee.

I withdraw the following amendments:

First. Beginning on page 51, line 17, all of the amendments on the remainder of that page and on page 52 down to and including line 4.

Second. On page 52, line 6, the amendment which would insert the words "more than seven hundred."

Third. On page 52, the amendment beginning in line 7 and ending in line 11.

Fourth. On page 52, the amendment in lines 14 and 15.

Fifth. On page 53, the amendment which would strike out the proviso beginning in line 5 and ending in line 12.

Sixth. On page 53, the amendment which would insert in lines 12 and 13 the words "the general fund of the Treasury of the United States."

Seventh. The amendment which would insert the proviso beginning in line 13 on page 53 and ending with line 24 on page 55.

Also, at the direction of the committee, I recommend that the following action be taken with respect to the other amendments reported by the committee:

First. On page 52, line 5, in lieu of striking out the words proposed to be stricken by the committee amendment, strike out the word "purchase."

Second. On page 52, line 6, that the committee amendment inserting the word "repair" be agreed to.

Third. On page 52, that the committee amendment, beginning in line 16 and ending in line 20, be agreed to with an amendment as follows: In line 16, in lieu of the figure proposed to be inserted by the committee amendment as reported insert "\$79,134,882."

Fourth. On page 52, line 22, that the committee amendment be agreed to.

Fifth. On page 52, lines 23 to 25, inclusive, that the committee amendments be agreed to.

Sixth. On page 52, line 26, in lieu of the words "as and when collected", insert the word "quarterly"; and after the word "into" insert "the general fund of the Treasury of the United States."

Seventh. That the committee amendment striking out the language beginning with the word "and", in line 26, on page 52, and ending on page 53, line 5, with the quotation marks, be agreed to.

The VICE PRESIDENT. The clerk will state the committee amendments proposed to be withdrawn.

The LEGISLATIVE CLERK. On page 51, beginning in line 17, it is proposed to withdraw all the amendments on the remainder of that page, and on page 52, down to and including line 4.

Mr. BONE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BONE. The changes in the committee amendments which have been described by the Senator from Tennessee were presented in a fashion a little too complicated for me to follow because he described portions of the text to be stricken out. I wish to ask if the new committee print dated March 24, 1944, is a complete substitute for all the language in the bill under the heading "Tennessee Valley Authority", starting on page 51 and ending at the bottom of page 55.

Mr. McKELLAR. It constitutes an amendment.

Mr. BONE. That is what I wished to ascertain. As I understand, it is a complete substitute for the language to which I have referred.

Mr. McKELLAR. It is a complete substitute.

I ask that the clerk state the amendments.

The VICE PRESIDENT. The amendments in the new committee print will be stated.

The CHIEF CLERK. On page 2, line 3, after the word "periodical", it is proposed to strike out "purchase."

Mr. BONE. Mr. President, I do not know what portion of the suggested amendments of the committee has been reached, but in order that we may clarify the picture without unnecessary delay, if I am within the rules at this time in making the point of order, I desire to make a point of order against the proposed amendment which I have described

and which is printed and now lies on our desks. I make the point that it is general legislation.

The VICE PRESIDENT. The Chair will suggest that we are now on line 3 on page 2 of the committee print. The point which the Senator has in mind begins on line 9, page 2, of the committee print. Will the Senator withhold his point of order until that place is reached?

Mr. McKELLAR. Mr. President, may I ask the Senator from Washington if he would be willing—

Mr. BONE. I am not objecting to the construction of the plants referred to on page 1, but my point of order goes to the amendment on page 2.

Mr. McKELLAR. What I was going to suggest to the Senator was this: Let us complete the amendments, and have that settled, and then he can make the point of order to the completed amendment.

The VICE PRESIDENT. Without objection, the amendments as they appear in the original bill will be withdrawn, and the committee print is now under consideration. The clerk has stated the first amendment on page 2. Without objection, that amendment is agreed to.

The clerk will state the next amendment.

The CHIEF CLERK. On page 2, line 3, after the word "maintenance", it is proposed to insert the word "repair."

The amendment was agreed to.

The next amendment was on page 2, line 9, after the word "field", to insert "\$79,134,882, to be accounted for as one fund known as the 'Tennessee Valley Authority Fund, 1945,' to remain available until June 3, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority Fund, 1944'; and."

Mr. BONE. Mr. President, I make the point of order at this place that the amendment is general legislation sought to be attached to an appropriation bill.

Mr. McKELLAR. Mr. President, paragraph 4 of rule XVI dealing with amendments to general appropriation bills provides:

Nor shall any amendment not germane or relevant to the subject matter contained in the bill be received; nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; and all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate.

The provisions of the House text and the committee amendment provide for the disposition of the receipts of the Tennessee Valley Authority. Therefore, I raise the question that the committee amendments are germane and relevant to the subject matter contained in the bill with respect to the Tennessee Valley Authority and relate directly to the item concerning the disposition of the receipts of the Corporation. The question of relevancy being raised, it therefore, as I understand, becomes the duty of the Chair to submit that question to the Senate without debate. I ask that the

question of relevancy be first considered.

The VICE PRESIDENT. The Chair is aware of the fact that on April 1, 1941, when the agricultural appropriation bill was under consideration, the Senator from Nebraska, Mr. Norris, said:

Mr. President, no question of germaneness has been raised. The point is that the amendment is general legislation on an appropriation bill.

The PRESIDING OFFICER—

Who was the Senator from Alabama [Mr. HILL]—

The Chair understood the Senator from Georgia [Mr. RUSSELL] to make the argument that the proviso beginning in line 17 is germane to the language written in the bill by the House of Representatives.

The Senator from Georgia [Mr. RUSSELL] then said:

It pertains to that part of the language and clarifies it.

The question was then referred to the Senate, and the Senate on a division held the amendment was in order.

The Chair, however, believes that the ruling at that time was out of order. The Chair calls attention now to section 4 of rule XVI and urges Senators to read it with great care:

No amendment which proposes general legislation shall be received to any general appropriation bill; nor shall any amendment not germane or relevant to the subject matter contained in the bill be received—

At that point there is a semicolon—

nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; and all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate.

The Senator from Washington has not raised the question of relevancy, but the question of the amendment being general legislation on a general appropriation bill. It is the view of the Chair that action on the question raised by the Senator from Washington should not be estopped because of the question of germaneness being subsequently raised.

The Chair is not aware of the full situation that confronted the Senator from Alabama [Mr. HILL] when he was in the chair on April 1, 1941. The Chair is somewhat familiar with the present situation.

The Chair therefore calls attention to the language in the committee print and the language in the House text. The pertinent language in the committee print is as follows:

\$79,134,832, to be accounted for as one fund known as the Tennessee Valley Authority fund, 1945, to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the Tennessee Valley Authority fund, 1944, and the unexpended balance on June 30, 1944, in the Tennessee Valley Authority fund, 1944, and all the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945.

That appears from lines 9 to 17 on page 2 of the present committee print. The corresponding language on page 51 of the bill as it came from the House, extending from line 5 to line 14, reads as follows:

The unexpended balance on June 30, 1944, in the Tennessee Valley Authority fund, 1944, and the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 (subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended), shall be covered into and accounted for as one fund to be known as the Tennessee Valley Authority fund, 1945, to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the Tennessee Valley Authority fund, 1944.

Of course, the Chair will not undertake to rule with any ultimate decisiveness on whether that which the House did in this language is in conformity with the original T. V. A. Act as amended.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. The Chair does, however, call attention to the fact that the T. V. A. Act, as amended by section 26, reads as follows:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation: *Provided*, That nothing in this section shall be construed to prevent the use by the Board, after June 30, 1936, of proceeds accruing prior to July 1, 1936, for the payment of obligations lawfully incurred prior to such latter date.

The Chair would call attention to the fact that the language on page 51 of the bill as it came from the House, lines 5 to 14, inclusive, is in conformity with the basic legislation, with the exception that in the one case "calendar year" is specified, and in the other "fiscal year" is specified.

The Chair therefore holds—

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. That the point of order of the Senator from Washington is sustained.

Mr. McKELLAR. Mr. President, is not this debatable? I was on my feet asking for the privilege of saying a word or two before the Chair ruled.

The VICE PRESIDENT. Very well; the Senator from Tennessee is recognized.

Mr. BONE. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BONE. I merely wish to suggest that I find nothing in rule XVI which provides any priority in the matter of consideration. I raised my point in view of the suggestion of the able Senator from Tennessee that some priority is suggested. I did not raise the point of relevancy, but urged that the amendment proposed general legislation. I think that point should be disposed of.

Mr. McKELLAR. Mr. President, first I desire to quote a distinguished Senator

who is opposed to the amendment now suggested, the junior Senator from Alabama [Mr. HILL]. I read from the RECORD of March 21, page 2856.

Mr. TYDINGS. This year?

Mr. McKELLAR. This year, just a day or two ago. This is the junior Senator from Alabama speaking:

Let me say to the Senator that that is not the present law, for this reason—

"That is not the present law"—that what appears in the House bill is not the present law—

In the various appropriation bills which have been enacted during the past 7 years, we have changed section 26, so that—

"We have changed section 26," which the Chair has just read:

We have changed section 26, so that today the T. V. A. is really not operating under section 26 as amended. Under the language of section 26 originally, and section 26 as amended, the T. V. A. could deposit its receipts anywhere it saw fit, withholding the receipts under the powers granted in section 26. In appropriation bills we provided that the T. V. A. should pay its receipts into a special fund in the Treasury.

And that is what is proposed for the next year, just as it was proposed last year for the present year.

The T. V. A. receipts have gone into a special fund in the Treasury, and each year Congress has reappropriated the funds which have accumulated in the special T. V. A. fund, together with any other moneys which the T. V. A. needed for the operation of its projects.

I wish to say that when this matter came before the committee the first thing the committee did was to ask the parliamentarian of this body if the amendments under consideration were in order, and the parliamentarian came before the committee, and held, in accordance with the opinion which the Chair has just overruled, that these amendments were in order, and we proceeded along that line. Section 26 is quite different from the provision in the House text. The House amended section 26; I believe the bill as it passed the House actually amends it by words, but I shall have to look that up and verify it. At any rate, it amends it; there can be no question about that. The House having amended it, it is surely within the power of the Senate to amend it.

I do not think the opinion of the Chair is correct. It is not in conformity with preceding opinions of this body. The Chair is changing the rule of the Senate, and for that reason, when the Chair shall finally make his ruling, I shall appeal from the decision of the Chair, and I hope that the decision of the Chair will be overruled.

In order that Senators may be present I shall make a point of no quorum.

Mr. BARKLEY. Mr. President—

Mr. McKELLAR. If the Senator desires to discuss the matter, I shall not make the point of no quorum until later.

Mr. BARKLEY. I trust the Presiding Officer, Senators, and also our able parliamentarian, will give consideration to one or two points I desire to raise, which I think have not been properly considered.

In the first place, no point of order has been made against the proposed language on the ground that it is not germane.

Mr. McKELLAR. We are not discussing that. The Chair has ruled that out.

Mr. BARKLEY. I understand, but it may be a matter which will have to be discussed. In order for the Chair or for the Senate to pass upon the question of germaneness under rule XVI someone must make the point that the matter in question is not germane. Germaneness does not necessarily relate itself to new legislation in a bill. It may relate itself to other things besides new legislation. The Senate wrote rule XVI, paragraph 2 of which prohibits a committee—the Committee on Appropriations especially—from bringing in amendments which constitute new legislation. It does not make any particular difference whether the point of order is made under section 2 or section 4, but section 2 prohibits the Committee on Appropriations from offering or bringing in an amendment which constitutes new legislation.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BONE. That is precisely the point I raised. I relied on paragraph 2 of rule XVI. I take it that under our rules any Member of the Senate may make the objection. The prohibition in the rule runs against the Appropriations Committee reporting a bill containing objectionable matter, and here before us is the bill reported by the Appropriations Committee containing matter which I conceive to be objectionable. I base my objection on paragraph 2.

Mr. BARKLEY. Paragraph 2 prohibits the Appropriations Committee from reporting on an appropriation bill an amendment proposing new or general legislation. That is one thing. That is with respect to the committee making a report of an appropriation bill containing new legislation. Paragraph 4 relates I think more forcefully to the offering from the floor by Members of the Senate of amendments that would do the same thing that the Committee on Appropriations is prohibited from doing in paragraph 2 of the rule. The question of germaneness and the question of being new legislation are entirely separate matters. As I said a moment ago, a matter might not contain new legislation, but if it is not germane to an appropriation it is not in order to be offered by a Member of the Senate.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. What would be the effect of the decision by the Chair in the event the final decision is that the committee has reported a legislative provision? Would that have the effect of sending the bill back to the committee, or striking the matter out of the bill?

Mr. BARKLEY. Paragraph 2 provides that if a point of order is sustained against an amendment which contains new legislation, the bill shall be returned to the committee. But there has been, as I understand, a modification of that; I am not absolutely certain that I am

correct about it, but I understand that there has been a modification so that the measure would not go back to the committee automatically.

Evidently the Senate in writing this rule had in view protecting itself against a committee doing what Members of the Senate themselves could not do, and if the automatic effect of sustaining the point of order is to send the bill back to committee, evidently the Senate had that possibility in mind when it wrote the rule. It is in my judgment more important to protect the integrity of the rules of the Senate than it is to determine whether a bill shall go back to a committee for further consideration.

But I want to emphasize the point, Mr. President, that the germaneness of an amendment is one thing, and whether it is new legislation is entirely another thing. The House of Representatives, in my judgment, as said by the late Senator from Oregon, Mr. McNary, in the speech he made on the same proposition 2 years ago, cannot write into an appropriation bill a provision which automatically abrogates the rules of the Senate, so that the Senate cannot invoke its own rules against amendments which offer new legislation on an appropriation bill.

As a matter of fact, the House language does not substantially change the present law in any way. Under the present law, section 26, as amended, it is provided that once a year, at the end of the calendar or fiscal year—first it was the calendar year, and then I think the fiscal year—the net, after all expenses, shall be turned into the Treasury of the United States. Under a subsequent appropriation bill this special fund was set up which was to receive the net proceeds. But that does not substantially change the running provisions of the appropriation bills, all of which have required that this be done in compliance with section 26 of the Tennessee Valley Authority Act of 1933, as amended. Therefore I think that on both grounds, under section 2 and under the first phrase of paragraph 4 of rule II, this amendment beyond any doubt constitutes new legislation because it changes the fiscal relationship of the Government, and that the point of order ought to be sustained.

The VICE PRESIDENT. The Chair would like to ask the Senator from Tennessee if he made the point of order that the germaneness should now be voted on—if that is the specific point of order the Senator is now making?

Mr. McKELLAR. I made the point of order that the question of germaneness should be disposed of first, and I asked that that be submitted to the Senate, as the rules of the Senate require.

Mr. BARKLEY. Mr. President, let me ask this preliminary question, and I should like the Senator from Tennessee to give an answer to it. The question of germaneness can only be submitted to the Senate if someone has made a point of order that the matter is not germane. The Senator from Tennessee is not going to make the point of order that his own amendment is not germane?

Mr. McKELLAR. Indeed not.

Mr. BARKLEY. Then the matter is not submitted to the Senate.

Mr. McKELLAR. The rule of the Senate does not provide that a motion either way has to be made. All a Senator has to do is to submit the question of germaneness.

Mr. BARKLEY. No.

Mr. McKELLAR. Read the rule.

Mr. BARKLEY. Let me read paragraph 4.

No amendment which proposes general legislation shall be received to any general appropriation bill—

That is that.

Nor shall any amendment not germane or relevant to the subject matter contained in the bill be received.

We all recognize that a point of order cannot be passed upon, either by the Chair or by the Senate, unless it is made. Frequently in appropriation bills points of order would lie but no one makes them, and therefore the matter is voted upon like other propositions in the bill. But if anyone makes the point of order, then of course it is subject to be ruled upon by the Chair. But the Chair is not required to take note of any violation of the Senate's rules by an amendment to an appropriation bill unless some Senator makes the point of order that it violates the rule. No one has made the point of order that this amendment is not germane.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BARKLEY. Yes; if I have the floor.

Mr. McKELLAR. I will say that the Senator from Kentucky did not read the point which is relevant to the controversy. Listen to it. There is a semicolon just before this language:

Nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; and all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate.

I submitted that question to the Senate, and the Chair held that he did not have to submit it to the Senate.

Mr. BARKLEY. The question of relevancy "when raised" is the language. How is the question raised? The question of relevancy is raised just as a question of new legislation is raised, by a point of order made by some Senator directed at the language. I insist that the question of germaneness or relevancy must be raised under the rule itself.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. In order to save time, I make the point of order of germaneness.

Mr. CHANDLER. Mr. President, I should like to ask a question. Which point is now before the Senate?

The VICE PRESIDENT. The Chair wishes to observe that, in his opinion, the point of order with regard to germaneness cannot be raised in such a way as to exclude a point of order raised with regard to whether or not there is general legislation proposed to an appropriation bill.

Mr. McKELLAR. Mr. President, I appeal from the ruling of the Chair.

Mr. CLARK of Missouri. Mr. President, pending that, will the Chair indulge me long enough to cite a precedent on that question?

The VICE PRESIDENT. The Chair does not cite any precedent except the precedent of common sense.

Mr. CLARK of Missouri. I desire to cite a precedent on that subject. On one occasion last year, when the Senator from Kentucky [Mr. CHANDLER] was in the chair, he made a decision on the same subject. I thought his decision was wrong, but his decision was sustained by the Senate.

During consideration by the Senate of the last agricultural appropriation bill, when the question of the farm-security appropriation was before the Senate, a point of order was made by the Senator from Virginia [Mr. BYRD], as I recall, that the matter constituted legislation on an appropriation bill. It then was urged by the Senator from Georgia [Mr. RUSSELL]—

The VICE PRESIDENT. No doubt the Senator has in mind the precedent which the Chair read into the RECORD earlier.

Mr. CLARK of Missouri. If the Chair has already referred to it, very well.

Mr. RUSSELL. Mr. President, if the Senator will permit me to say a word, I should like to point out that the precedent referred to was subsequent to another one. On two occasions the Chair sustained the identical point of order. It happened that I was involved in the parliamentary situation on both occasions. As I recall, one related to the appropriation for the Rural Electrification Administration, and the other related to the appropriation for the Farm Security Administration, now being discussed by the Senator from Missouri. On both occasions the Chair ruled that in cases in which there was any legislation whatever on the part of the House in an appropriation bill, such action on the part of the House opened the door to the Senate to place legislation in the appropriation bill.

Mr. President, if we take any other position, the Senate will tie its hands against ever dealing with any question in an appropriation bill on which the House has legislated.

Mr. CLARK of Missouri. Mr. President, on both occasions it was held, and the ruling of the Chair was sustained by the Senate, that the question of germaneness could be raised by the proponents of the amendment, but that if the amendment was germane, it obviated the question of new legislation on the appropriation bill.

As I have said, I opposed that ruling, in the case of the ruling made when the Senator from Kentucky [Mr. CHANDLER] was in the chair. I opposed it, to the point that we almost came to blows on the subject. But the Senate sustained the position of the Senator from Kentucky, and that is unquestionably the practice of the Senate at the present time.

Mr. CHANDLER. Mr. President, will the Senator yield at this point?

Mr. CLARK of Missouri. If I have the floor, I am glad to yield to the Senator.

Mr. CHANDLER. I should like to call

attention to the question raised awhile ago by the Senator from Louisiana. I am not certain that it was satisfactorily answered. The Senator from Washington has raised this question under paragraph 2 of rule XVI. If his point of order is sustained, I have not the slightest doubt that the bill must be recommitted to the Committee on Appropriations; because paragraph 2 of rule XVI reads as follows:

A point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

Under that rule we have no choice.

Mr. CLARK of Missouri. The bill would automatically be recommitted.

Mr. CHANDLER. Yes; as the Senator from Missouri has said, the bill would automatically be recommitted to the Committee on Appropriations, if the point of order were sustained.

If the point of order now raised relates to the matter of relevancy or germaneness, no such situation arises. But if a point of order under paragraph 2 of rule XVI is sustained, the Senate has no choice. The bill then must be recommitted to the Committee on Appropriations.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. RUSSELL. I wish to observe, if the Senator will indulge me, that without regard to the merits of the question, in my judgment it would be the most unfortunate precedent the Senate could establish, to hold that when the House has violated this rule and has attached legislation to an appropriation bill, the Senate is powerless to change the position of the House.

Mr. BARKLEY. Mr. President, the Senate is not powerless because the Senate can strike out the legislative provisions added by the House to the appropriation bill; so the Senate is not bound by the fact that the House has added legislation to an appropriation bill. It would be in conformity with our own rule if the Senate should do that, and it would be recommended by the Committee on Appropriations. So we are not actually bound.

Mr. RUSSELL. The Senator knows it is possible to draw a legislative item to an appropriation bill in such manner that if only the legislative provision is stricken out, and if the matter which is not legislation is allowed to remain, the provision will not make sense; and in that case, in the subsequent necessary conference some one of the conferees would have the right to add legislation to the appropriation bill. Why should the House of Representatives or a conference committee have more power in dealing with an appropriation bill than has the Senate of the United States?

Mr. President, this question has been raised in the Senate on a number of previous occasions; and, so far as I know, the Senate has uniformly held, and under the advice of the Parliamentarian of the Senate any Member of the Senate who happened to be presiding has ruled that if the House of Representatives has

added a legislation item to an appropriation bill, the Senate certainly has a right to legislate on the same item when the bill comes before the Senate. If any other position should be taken, the Senate would not be a body of equal dignity with the House of Representatives in connection with the handling of appropriation matters.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CONNALLY. In the case of action taken by the House of Representatives in the nature of legislation on an appropriation bill, is it not fundamental that the Senate has a right to pass on it?

Mr. RUSSELL. If the Senate is to be of equal power with the House, it is fundamental.

Mr. CONNALLY. If the House desires to add legislation to an appropriation bill, it does so. Does anyone mean to say that when such a bill comes to the Senate, the Senate must accept it as written by the House or must reject it, but that the Senate cannot modify or change the items referred to? It seems to me the issue goes beyond the matter of a point of order, and goes to the very question of the legislative power of the Senate.

Mr. RUSSELL. Mr. President, that is the very point I was undertaking to make. If the Senator from Kentucky is correct, the only power the Senate has in connection with a matter which is legislation on an appropriation bill is to strike out the legislation.

Mr. BARKLEY. That is all.

Mr. RUSSELL. Every Member of the Senate who has studied an appropriation bill has found that in such bills legislative matter has been so interwoven with appropriation items that the striking out of the legislative matter would leave the bill in such shape that it would not make good sense.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CLARK of Missouri. If, as the Senator mentioned, the Senate simply struck out the legislative items which the House attached to the appropriations bill, the bill would subsequently have to go to conference; and, according to the undisputed practice relating to committees of conference, any matter germane to the bill would be before the conference. Under those circumstances, the Senate would simply be prevented from participating in legislation on an appropriation bill, but the House conferees and the Senate conferees would be enabled to indulge in legislation on the bill.

Mr. RUSSELL. I have just stated that if the ruling should be sustained, a conference committee would be granted powers which would be forbidden to the Senate of the United States.

Mr. President, the implications of such a ruling go far beyond the merits of the instant issue before the Senate. I regret very much that it has been raised; because if the Senate were to sustain a ruling by the Chair which would tie the hands of the Senate from legislating on

a matter in an appropriation bill on which the House had already legislated, the result would be to say that the Senate of the United States is not a coequal body with the House of Representatives in connection with the handling of legislation on appropriation bills, and, in addition, that the Senate of the United States does not have a power which a creature of the Senate—a conference committee—would have because certainly a conference committee would have a right to modify or to change or to yield as to legislative provisions on an appropriation bill which might come to the Senate from the House of Representatives. It is as fundamental as the creation and constitutional establishment of the Senate of the United States as a coequal legislative body that the Senate has a right to legislate on any matter on which the House of Representatives has legislated.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CHANDLER. Does the Senator feel that the question of germaneness or relevancy should be decided first by the Senate before a decision is made under a rule which would automatically force the bill to be recommitted to the Committee on Appropriations?

Mr. RUSSELL. If the Senate is to adhere to the unbroken precedents of this body, so far as I know, that would be the procedure which would be followed.

Mr. McKELLAR. Mr. President, we should have to do so, because the Chair has just ruled that he does not have to submit to the Senate the question of relevancy, as raised by both the Senator from Maryland [Mr. TYDINGS] and myself. The Senator from Maryland [Mr. TYDINGS] raised it directly, and I raised it indirectly. The Chair has so held, and I have appealed from the Chair's ruling. That is the pending question.

Mr. BONE obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. BARKLEY. I desire to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. I should like to inquire whether two points of order, both relating to two different provisions of the rule, can be pending at the same time. Regardless of what may be done with respect to the point of order relative to the general legislative theory of the amendment, certainly, in my judgment, the two points of order constitute different grounds for rejection. If the point of order made by the Senator from Maryland had been submitted first—namely, the point of order that the language was not germane under the rule—of course, it would have to be submitted to the Senate. But, the point of order having been first made that the matter constitutes new legislation, it seems to me we cannot entertain two points of order at the same time. We must dispose of them one at a time. The point of order raised against the matter as general legislation was made first, and

it seems to me it should be disposed of first.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BONE. I am not sure that I have the floor. I wish to make a statement. If I have the floor, I yield.

The VICE PRESIDENT. The Senator from Washington has the floor.

Mr. CLARK of Missouri. In response to what the Senator from Kentucky has said, let me say that the Senator evidently misconceives the theory upon which the question of germaneness enters into the equation. The theory is that while the amendment standing alone might be subject to the point of order that it is legislation on an appropriation bill, it is taken out of the general rule if it appears that there is legislation on the subject in the bill as it comes from the House, and that the amendment proposed is germane to the House provision. That is the principle. Therefore, it is not a question of having two points of order on different subjects. The second point of order is designed to obviate the effect of the first point of order.

Mr. BONE. Mr. President, let me suggest that there is not a line or a syllable in the rule itself which fortifies the position of my able friend from Missouri. I sought to find something to enlighten me on that particular point, and found nothing.

Mr. President, in view of the fact that this question seems to have profoundly disturbed my brethren and may, in the normal course of events, constitute a Senate precedent of some moment, the Vice President having ruled on it, I now ask that as a part of my remarks at this point there be printed in the RECORD all the provisions in the pending bill beginning on page 51, under the heading "Tennessee Valley Authority," and including all the language down to the bottom of page 55, with all the italics, diacritical marks, interlineations, and everything else which appears in that language.

There being no objection, the language referred to was ordered to be printed in the RECORD, as follows:

TENNESSEE VALLEY AUTHORITY

[Omit the part in black brackets and insert the part printed in italic]

For the purpose of carrying out the provisions of "The Tennessee Valley Authority Act of 1933", as amended (16 U. S. C., ch. 12A), including the continued construction of Kentucky Dam at Gilbertsville, Kentucky; [Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project);] Fontana Dam; South Holston Dam; Watauga Dam; [an additional unit at the Sheffield steam plant;] and a fertilizer and elemental phosphorus manufacturing plant at or near Mobile, Alabama; and the acquisition of necessary land, the clearing of such land, and relocation of highways, within authorized projects, and the construction or purchase (not exceeding \$600,000) of transmission lines and other facilities authorized by the Tennessee Valley Authority Act of 1933, as amended, [and all other necessary works authorized by such Act,] and for printing and binding, lawbooks, books of reference, [newspapers, periodicals, purchase,] maintenance, repair, and operation of not more than seven hundred passenger-carrying vehicles not exceeding \$225,000 (and all passenger-carrying motor vehicles owned by the Au-

thority in excess of seven hundred and all aircraft other than those used for mosquito control work shall be declared surplus and shall be sold to the highest bidder or bidders), rents in the District of Columbia and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority[, and for examination of estimates of appropriations and activities in the field.] \$76,981,873, to be accounted for as one fund known as the "Tennessee Valley Authority fund, 1945", to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1944"; and the unexpended balance on June 30, 1944, in the "Tennessee Valley Authority fund, 1944", and all the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 [(subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended)] and subsequent fiscal years, shall be covered as and when collected into [and accounted for as one fund to be known as the "Tennessee Valley Authority fund 1945", to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1944": Provided, That purchases may be made by the Authority during the fiscal year 1945 without regard to the provisions of section 3709 of the Revised Statutes and section 9 (b) of the Tennessee Valley Authority Act, as amended, when in the judgment of the Board of Directors of the Authority such a procedure will expedite the completion of projects determined by the President to be essential for defense purposes] the general fund of the Treasury of the United States: Provided, That no part of any appropriation or fund made available to the Tennessee Valley Authority by this Act or otherwise for the fiscal year 1945 or any subsequent fiscal year shall be used (1) for paying for advertisements in newspapers, by radio, or otherwise (except publication of notices required by statute and except in cases of emergency shortage of power); (2) for paying for any expenses in connection with explorations for sources of alumina or other minerals (except such as are necessary for the construction, completion, or operation of any authorized projects); (3) for buying lands or buildings or building steam plants or building new dams or additions to dams, not authorized by law; (4) for the purchase of passenger-carrying vehicles; (5) for the maintenance, repair, or operation of any passenger-carrying vehicle, unless such vehicle is (a) used only upon official business of the Authority and (b) has painted on each side in white letters not less than two inches high "TVA On Official Business"; (6) for the payment of any claim for damages, or any contested claim; involving a sum of \$10,000 or more, except in pursuance of an order, decree, or judgment made by a court of competent jurisdiction after a hearing in such court as to the facts relating to such claim; (7) for any political purpose whatsoever, directly or indirectly, or for the purpose of seeking to influence public opinion, by means of lectures, advertisements, publications, public statements, radio, or otherwise for or against (a) any candidate for public office or (b) any legislation or legislative proposal; (8) for paying any compensation to or expenses of any member or other officer or employee of the Authority who takes an active part in political management or political campaigns or who seeks to influence public opinion, by means of lectures, advertisements, publications, public statements, radio, or otherwise, for or against (a) any candidate for public office or (b) any legislation or legislative proposal; (9) for furnishing fertilizer or any components thereof to any person free of charge, or at less than cost, unless such person be selected and approved by the county agent of the

county of such person's residence; (10) for paying for any audit or examination of the books or accounts of the Authority by any nongovernmental accountant or firm, the Comptroller General of the United States being authorized by law to make such audits; (11) for paying any administrative or other expenses in connection with the making of any contract which discriminates unjustly between consumers of the same character of current under similar circumstances; (12) for the establishment of or additions to any reserve fund; (13) for paying the salary or compensation at a rate of \$4,500 or more per annum of any officer or employee who shall not be appointed by the President, by and with the advice and consent of the Senate; (14) for the maintenance, repair, or operation of any aircraft other than those used for mosquito-control work; (15) for the maintaining the principal office, principal place of business, or general headquarters of the Authority at any place other than in the immediate vicinity of Muscle Shoals, Alabama; or (16) for paying the compensation of any member of the board of directors of the Authority, or any officer or employee of the Authority having general supervisory powers over any phase of its activities throughout its area of operations, who does not maintain his principal place of business and office in the immediate vicinity of Muscle Shoals, Alabama.

Mr. BONE. Following that, I ask unanimous consent that there be printed the committee print which appeared on our desks today, dated March 24, 1944.

There being no objection, the committee print was ordered to be printed in the RECORD, as follows:

[Committee print]

March 24, 1944

PROPOSED AMENDMENTS TO THE TENNESSEE VALLEY AUTHORITY ACT AS AGREED TO BY THE COMMITTEE ON APPROPRIATIONS ON MARCH 23, 1944

[Omit the part in black brackets and insert the part printed in italic]

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of "The Tennessee Valley Authority Act of 1933", as amended (16 U. S. C., ch. 12A), including the continued construction of Kentucky Dam at Gilbertsville, Kentucky; Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project); Fontana Dam; South Holston Dam; Watauga Dam; an additional unit at the Sheffield steam plant; and a fertilizer and elemental phosphorus manufacturing plant at or near Mobile, Alabama; and the acquisition of necessary land, the clearing of such land, relocation of highways, and the construction or purchase of transmission lines and other facilities, and all other necessary works authorized by such Act, and for printing and binding, lawbooks, books of reference, newspapers, periodicals, [purchase,] maintenance, repair, and operation of passenger-carrying vehicles, rents in the District of Columbia and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority, and for examination of estimates of appropriations and activities in the field, \$79,134,882, to be accounted for as one fund known as the "Tennessee Valley Authority fund, 1945", to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1944"; and the unexpended balance on June 30, 1944, in the "Tennessee Valley Authority fund, 1944", and all receipts of the Tennessee Valley Authority from all sources during the

fiscal year 1945 [(subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended)] and subsequent fiscal years, shall be covered quarterly into [and accounted for as one fund to be known as the "Tennessee Valley Authority fund 1945", to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1944"] the general fund of the Treasury of the United States: Provided, That purchases may be made by the Authority during the fiscal year 1945 without regard to the provisions of section 3709 of the Revised Statutes and section 9 (b) of the Tennessee Valley Authority Act, as amended, when in the judgment of the Board of Directors of the Authority such a procedure will expedite the completion of projects determined by the President to be essential for defense purposes.

Mr. BONE. Mr. President, I was really depressed to learn that my able friend the Senator from Missouri and my able and very learned friend from Kentucky [Mr. CHANDLER] once nearly engaged in fisticuffs over this particular rule, because any problem that could excite those two able and very amiable gentlemen to that sort of attitude toward each other is something which assuredly should be laid at rest as an issue in the Senate. Over the years I have been privileged to know these gentlemen in a very delightful intimacy. I have always found them bearing themselves in the brunt of battle with the true courtesy of Arthurian knights. It is something of a shock to learn that in the mind or the heart or the attitude of either there was an impish impulse for fisticuffs over this tremendous and important issue which we have just been discussing. So, for posterity and history, and for those who shall follow through the numberless cycles of time while the Senate shall last, in order utterly to put at rest the issue which has been raised here today, I want the RECORD to show everything that appears in the bill and the amendments before us, so that we may once and for all time settle the question.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. BARKLEY. If the Senator will include in his remarks the remarks made by the Senator from Missouri in connection with another bill, in which he took the opposite position, it might show some reason for the excited attitude on the part of the Senator from Kentucky.

Mr. CLARK of Missouri. Mr. President, I shall be glad to have that done, provided the RECORD also includes the vote by which I was defeated on that proposition.

Mr. BONE. Mr. President, my love for the Senator from Missouri is something worthy of note, but at times I may be filled with what to him may seem an impish desire to irritate him. I should like nothing better than to insert at this point in the RECORD the remarks of my able friend from Missouri dealing with this particular question, but they are not available.

Mr. CLARK of Missouri. Will the Senator also insert the vote by which I was defeated, and by which the precedent of the Senate was established?

Mr. BONE. My remarks probably creep into his drab life like a gleam of supernal sunshine. I merely want to elevate him to higher planes of thought. I think his parliamentary foot slipped today. I am sorry to learn from my friend from Kentucky that the Senator from Missouri has ever reversed himself. I have always considered him one of the stanchest pillars of righteousness in the matter of loyalty to the rules of the Senate.

Mr. CLARK of Missouri. I did not reverse myself. I take the law as I find it. I made this contention in perfect good faith. The Senate, by a decided vote, overruled me. I have not reversed myself. I take the law as I find it. I do not think the Senate should follow one rule when it wishes to sustain an amendment and another rule when it wishes to defeat it. I think there should be some uniformity. I think it is more important to have uniformity than to be right.

Mr. BONE. I know that the Senator from Tennessee wishes to vote on this question immediately, and I do not wish to prolong the discussion. I yield the floor.

Mr. CLARK of Missouri. Mr. President, when the Senator is inserting a few remarks by me on the agricultural appropriation bill last year, he also ought to insert the remarks of the distinguished Senator from Kentucky [Mr. BARKLEY], who was very urgently, strenuously, and ably contending for exactly the position which I take today.

Mr. BARKLEY. Mr. President, ever since I was a boy in knee pants in the House of Representatives I have tried to follow the Senator from Missouri. I am now following in his footsteps when I exercise the same right to change my view that he has exercised.

Mr. CHANDLER. Mr. President, I should like to make the observation that under paragraph 4 of rule XVI objection can be made by a point of order raised on the floor against an amendment because of its lack of germaneness or relevancy. That is not fatal to the bill from the standpoint of having the bill withdrawn from the consideration of the Senate. If the amendment were found to be not germane, or to be irrelevant, it could be laid on the table without prejudice to the bill.

If a ruling is made and sustained on the point of order, made by my good friend from Washington, under paragraph 2 of rule XVI, the bill automatically must leave the Senate and go back to the Committee on Appropriations. Why do we not first decide the question of relevancy and germaneness? After we have passed that point we can come to the next point, as to whether the committee has made a mistake in reporting a bill to the Senate in violation of the Senate rule. If that decision is in the affirmative, under the rule the bill must automatically go back to the Committee on Appropriations. That is the plea I am making in order that we may have a clear ruling and a just decision on the whole question.

Mr. McKELLAR. Mr. President, let me say to the Senator from Kentucky that the Chair has already held that this question should not be submitted to the Senate, and I have appealed from that ruling. The Chair has ruled on the point of order made by the Senator from Maryland [Mr. TYDINGS], that the question of relevancy should not be submitted to the Senate. I have appealed from the ruling. So the same result would be attained by voting to overrule the decision of the Chair.

Mr. CHANDLER. Mr. President, what is the ruling?

The VICE PRESIDENT. The Senator from Tennessee requested that the Chair withhold decision until all the arguments had been made.

Mr. McKELLAR. That was as to the first ruling of the Chair; but since that time the Chair has held that the point of order raised by the Senator from Maryland [Mr. TYDINGS] was not to be submitted to the Senate, and I have appealed from the ruling of the Chair. The RECORD will sustain what I have said.

Mr. CHANDLER. My understanding was that the Chair had withheld his ruling. I thought the whole question was still before the Senate. Let us see if we cannot adjust it without having to vote on an appeal from a ruling by the Chair. I think the Chair is in error. I should have to vote against the ruling of the Chair, which I do not wish to do, but I am not afraid to do so if it should become necessary. I think we ought first to determine the question of germaneness and relevancy. If that fails, the bill does not have to go back automatically to the committee. If we vote on the point raised by the Senator from Washington [Mr. BONE], and he is successful, the bill will automatically disappear from the consideration of the Senate and go back to the committee. There is no choice. The rule provides that it shall go back.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. BARKLEY. What effect does my colleague give to the first part of paragraph 4 of rule XVI, which provides as follows:

No amendment which proposes general legislation shall be received to any general appropriation bill.

That is not hooked up with anything else. If the Chair should rule, under paragraph 4, that the amendment does contain legislation, it would not go back to the committee.

Mr. CHANDLER. I construe that to mean that no amendment containing general legislation, if objected to, shall be received from the floor, after the bill is before us. If the Senator were to offer from the floor an amendment containing general legislation, and it were objected to, under paragraph 4 of rule XVI it would have to be submitted to the Senate without debate. However, my plea now is that we decide whether or not this amendment is germane, or relevant, or both. The Senator from Maryland [Mr. TYDINGS] has raised the question of germaneness. The Senator from Washington would not lose anything if we should

decide that it was germane. For the time being it would be germane. If we should decide that it was not, the amendment could be laid on the table without prejudice to the bill.

Mr. OVERTON and Mr. BONE addressed the Chair.

The VICE PRESIDENT. The Senator from Louisiana is recognized.

Mr. OVERTON. Mr. President, I thoroughly concur in the interpretation of the two rules stated by the Senator from Kentucky. There are two rules. There would not be two rules unless we were dealing with two different phases of the question. The first phase of it is covered by paragraph 2 of the rule. That is, when the committee reports an appropriation bill containing general legislation, there is only one remedy, and that is to make a point of order. If the point of order is sustained, the bill must then go back to the committee.

Mr. CHANDLER. That question was raised by my friend, the Senator from Louisiana.

Mr. OVERTON. That is correct. That is the only point which can be made when the committee itself reports an appropriation bill containing general legislation.

Mr. CHANDLER. That is what I understand.

Mr. OVERTON. If some Member from the floor offers an amendment which proposes general legislation, and the point of order, under paragraph 4 is made and sustained, the amendment cannot be received; but, of course, the bill does not go back to the committee. Therefore it is necessary to have both rules. They deal with entirely distinct phases of the question.

Mr. BARKLEY. Will my colleague the Senator from Kentucky yield in order that I may ask for some information from the Senator from Louisiana [Mr. OVERTON]?

Mr. CHANDLER. I yield.

Mr. BARKLEY. If it be true that paragraph 2 deals only with amendments offered from the floor, is it the contention of the Senator that if the Committee on Appropriations should bring in some amendments which were not germane, no Senator could raise a point of order against them?

Mr. OVERTON. No.

Mr. BARKLEY. Then paragraph 4 is limited only to amendments offered from the floor of the Senate, and paragraph 2 has nothing to do with germaneness.

Mr. OVERTON. Paragraph 2 has nothing to do with germaneness. Paragraph 4 has to do with germaneness.

Mr. BARKLEY. So the Committee on Appropriations could bring in an amendment not germane, and no Senator in the Senate could raise a point of order.

Mr. OVERTON. Any Senator may raise a point of order with respect to germaneness, but if the question of germaneness is raised and sustained, the amendment does not go back to the committee.

Mr. BARKLEY. No; not under paragraph 2.

Mr. OVERTON. As I have said, paragraph 2 deals with general legislation re-

ported by the committee to an appropriation bill.

Mr. BARKLEY. And it deals only with general legislation.

Mr. OVERTON. It deals only with general legislation; that is all. That is separate and apart. When the committee makes a report of a bill containing general legislation, and a point of order is sustained, the bill goes back to the committee. Paragraph 2 is very clear on that point. However, paragraph 4 deals with another phase of general legislation, and applies when a Senator offers to an appropriation bill an amendment containing general legislation. It also deals with another question entirely diverse from general legislation, namely, the question of germaneness.

Mr. BONE. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. BONE. My sunny friend from Kentucky surrounds himself with an aura of gloom. He refers to the fact that the bill would have to go back to the committee. Let me lift him from the bog of despair in which he seems to be, and point out that the bill could go back to the committee and emerge in 1 hour. Probably the chief delay would be in printing. The committee could meet and in 3 minutes it could bring the bill back. There is no crisis involved here. I have been in the Senate many years, and I never heard a rule announced on this floor with any aspect of finality that would apply to a question affecting germaneness as against general legislation. I may be in error.

Mr. CHANDLER. My friend the Senator from Washington has been here a long time but in all the time he has been here he has not had as much trouble with this rule as I have had. I am very anxious to have this rule cleared up, and I think we can make more headway if we follow the method which I have suggested. I do not wish to vote, as I have heretofore said, on an appeal against the ruling of the President of the Senate. However, if that rough way is the only way to handle it, then we shall have to handle it in that way.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. LA FOLLETTE. Mr. President, I think this situation is rather unique. It seems to me that technically this bill has not been in the possession of the committee since it was reported. It was the unfinished business of the Senate when we recessed day before yesterday. It is true that the committee held a meeting, and authorized the acting chairman of the committee to come to the Senate and withdraw certain amendments, and to retain certain of the amendments which had been reported from the committee. The Senator from Tennessee [Mr. McKELLAR] himself, when he made a statement with respect to the amendments earlier today, stated that he did so by the direction of the committee. So it would seem that the point of order which has been raised is directed against the amendment which the Senator from Tennessee has offered, rather than against the bill. The point

of order therefore would have to be brought under paragraph 4 of the rule instead of under paragraph 2. I may be in error about that because there was some confusion in the Chamber when the Senator from Tennessee was reading his statement concerning the amendments. I understood the effect of his statement to be the withdrawal of certain amendments, and to offer other amendments. He did that as an individual Senator, although, it is true, at the direction of the committee. Insofar as the committee could influence the decision of the Senate, it would be a committee action. But in reality, as it stands here today, it is the action of the Senator from Tennessee in his capacity as Senator, although he takes such action as the result of instruction by his committee.

Mr. CHANDLER. Mr. President, I agree with the statement of the Senator from Wisconsin that any such amendment offered by any Senator from the floor could be disposed of by the Senate without prejudice to the bill. However, this other matter definitely prejudices the bill.

Mr. BURTON. Mr. President, in the discussion of paragraphs 2 and 4 of rule XVI it has been suggested that there is some confusion between the two paragraphs. It seems to me that there is language contained in paragraph 2 which distinguishes it clearly from paragraph 4 and would help clear up some of the present controversy. Paragraph 2 relates to the Committee on Appropriations reporting an appropriation bill, and if it contains an amendment proposing new and general legislation, then a point of order may be made against the bill as coming from the Appropriations Committee with such an amendment in it. If objection is raised to the bill and is sustained, then the bill goes back to the committee.

As I understand, the Senator from Washington, in this instance, is not raising a point of order to the bill, but is raising a point of order to an amendment to the bill. That comes under paragraph 4, and does not involve the return of the instrument to the committee. That question must be raised under paragraph 4, however.

Mr. CHANDLER. It does come under section 4, and its germaneness or relevancy must be submitted by the Chair to the Senate.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. TYDINGS. The primary purpose of the Senate of the United States is to pass on legislation. We have legislation before us containing a particular provision which some Members of the Senate favor and others oppose. It seems to me that at a time such as this the question on its merits should be submitted to the Senate without points of order being made by any Member. It also seems to me that if a majority of the Senators wish to favor the proposal of the Senator from Tennessee, they should be permitted to do so. If they do not favor it, of course, we should not adopt it as a national policy.

I therefore make the sincere request to those who have spoken for and against this measure that all points of order against the proposal be withdrawn, and that the Senate vote on it on its merits. If we think it is good for the country, let us adopt it. If it is not good for the country, let us strike it down. All this debate over parliamentary procedure on such a small point, when such a tremendous issue is involved, seems to me to be an evasion of our duty in formulating plans and policies for the country. I myself made one of the points of order in order to try to clarify the situation. I shall be very glad to join with the Senator from Washington, or with any other Senator, in withdrawing the point of order and allowing the Senate to vote on the question of whether the proposal in itself has merit, or should be voted down.

Mr. CLARK of Missouri. Mr. President, I did not wish to offend the Senator from Kentucky. I merely wished to express the hope that when my friend, the Senator from Washington, was putting in insertions from me during the debate on the point of order relating to the Farm Security Administration provision in the last agricultural appropriation bill, he would also include the remarks of the Senator from Kentucky, who at that time was urging the position which I am now taking.

Mr. CHANDLER. I am ready to conclude. But I want to ask the Chair this question: Has the Chair made a final ruling or is the situation still so that a ruling can now be made?

The VICE PRESIDENT. The point at issue is the objection of the Senator from Tennessee to the point made by the Senator from Maryland.

Mr. McKELLAR. No; I have made no objection.

The VICE PRESIDENT. The Senator from Maryland made the point that the amendment was not relevant or germane—as the Chair recalls he included both, that it was neither relevant nor germane—and the Senator from Tennessee can state what he said.

Mr. McKELLAR. It is already in the Record, but I am perfectly willing to withdraw any motion that I made so that the motion of the Senator from Maryland may be put.

Mr. GEORGE. The Senator does not, I presume, withdraw his appeal?

Mr. McKELLAR. No; I am not withdrawing the appeal. I understood the Chair to overrule the motion of the Senator from Maryland. I understood it that way, and I took an appeal on that.

The VICE PRESIDENT. The Senator appealed from that decision.

Mr. TYDINGS. Mr. President, a parliamentary inquiry. What is now the question before the United States Senate?

The VICE PRESIDENT. The question before the United States Senate is on the appeal of the Senator from Tennessee to the ruling the Chair made in regard to the point raised by the Senator from Maryland.

Mr. TYDINGS. So that if we have a vote, the vote will be on the question whether the point of order made by the

Senator from Maryland shall be sustained or shall not be sustained?

The VICE PRESIDENT. On whether the decision of the Chair shall stand.

Mr. CLARK of Missouri. Mr. President, just a moment.

Mr. TYDINGS. Mr. President, a parliamentary inquiry. I am not trying to formulate the exact language of how the motion should be put, but only the substance of it. After listening to the debate and to the Chair explain the parliamentary situation, I take it the first vote will come on whether or not the position of the Chair on my point of order shall be sustained or shall not be sustained.

Mr. BONE. Mr. President, will the Senator yield?

The VICE PRESIDENT. The vote will be on the appeal from the decision of the Chair on the point made by the Senator from Tennessee.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry. Is not this the situation: On the point of order of the Senator from Maryland the Chair has ruled he was not required by the rules to submit it to the Senate.

The VICE PRESIDENT. That is correct.

Mr. CLARK of Missouri. From that decision the Senator from Tennessee has appealed.

The VICE PRESIDENT. That is correct.

Mr. CLARK of Missouri. Now, if the decision of the Chair stands, the Chair is not required to submit the question of germaneness to the Senate, and if the decision of the Chair is overruled, the Chair will be compelled to submit the question of germaneness to the Senate, and then the question of germaneness will be determined by the Senate.

SEVERAL SENATORS. Vote!

Mr. BARKLEY. Mr. President, that is not quite the situation.

Mr. STEWART. Mr. President, will the Senator yield?

The VICE PRESIDENT. The junior Senator from Kentucky has the floor. Does he yield and, if so, to whom?

Mr. CHANDLER. I do not yield at the moment. What the Senator from Missouri suggests is what I have been trying to avoid. I want now to ask my friend from Tennessee and my friend from Maryland to withdraw their motions if we are going to make any headway, so that we will not have to vote on the appeal from the decision of the Chair, and then let us start all over again. Then I want the Chair to take back what he said, so that we can vote on the question of germaneness and relevancy. When I first got on my feet I especially asked the Chair not to make a final ruling until we could discuss the matter. There would be no excuse for discussing it if we were not going to have a chance to arrive at a fair and just conclusion, without appealing from the decision of the Chair.

Mr. McKELLAR. Mr. President, if the Chair is willing to submit the question of relevancy to the Senate, of course I am willing to withdraw the appeal, and let the question be submitted to the Senate according to the Rules of the Senate.

I hope the Chair will, and I think the Chair should, submit to the Senate the question of relevancy.

The VICE PRESIDENT. The Chair wishes to state that, in his opinion, it certainly is not common sense to use the question of germaneness or relevancy to obviate completely the consideration of whether or not general legislation has been introduced into an appropriation bill. That appeals to the Chair as being nothing more nor less than a parliamentary trick.

Mr. McKELLAR. I indulged in no parliamentary trick.

Mr. CHANDLER. Mr. President—

Mr. McKELLAR. Mr. President, will the Senator from Kentucky yield to me?

Mr. CHANDLER. I yield.

Mr. McKELLAR. I want to say that I have not undertaken to trick the Chair about anything. The Chair has made a ruling that he does not have to submit the question of relevancy to the Senate. Under the circumstances, I honestly believe—I never believed anything more honestly—that, in accordance with all the authorities, when the point of relevancy is raised, as it was raised by the Senator from Maryland, beyond the question of doubt it is the duty of the Chair and his first duty to submit the question to the Senate. It is not a trick. I denounce the statement of the Chair that I have undertaken to trick anybody. I am not that kind of a man, Mr. President. I do not believe in tricking anybody. I am not offering any trick measures or motions here, nor am I asking for any trick rulings. I think it is damnable for anybody to make the suggestion that any statement I made was a trick, and I state to the Chair that I think he should withdraw his remark.

The VICE PRESIDENT. The Chair will be very happy, indeed, to do so. The Chair did not entertain for a moment the idea that the Senator from Tennessee would indulge in a trick; that was the farthest thing from his mind. But the Chair does feel, in view of the fact that the Senator from Washington first made a request for a ruling on the point of order that general legislation was proposed to the appropriation bill, that the Chair does have a right to make a ruling on that point under the rules of the Senate.

Mr. CHANDLER. Mr. President, we are operating under rule XVI. Rule XVI is a rule that contains several sections. The objection made by my friend the Senator from Washington to the amendment was not to the bill, but to an amendment on the ground that it proposes general legislation to an appropriation bill. Under the articles and sections of rule XVI, there is a place where the question of germaneness and relevancy ought to be decided, and the decision on the question would not be fatal to the bill; that is, it would not be fatal in the sense that the bill would have to leave the Senate floor and go back to the committee. It may come back again; it may come back in half an hour or an hour or it may come back in a day or a week, although I have seen bills go to the committee and never come

back; I have seen bills disappear when they were recommitted and never return. Of course, that would not happen in this instance.

Mr. BONE. Mr. President, will the Senator yield?

Mr. CHANDLER. In just a moment. I asked the Chair to withhold his ruling so that we could avoid a vote on his ruling that the Senate did not have the right to decide the relevancy and germaneness of an amendment offered to a bill that contains general legislation, or is alleged to contain general legislation. There is an easy way to do it; there is a nice way to do it and a rough way to do it. I am prepared to follow either way if we have to. I think the Chair was mistaken; I think we have a right in the Senate to say whether or not this amendment is relevant and germane. If we do so and say it is irrelevant, or say it is not germane, it will not be fatal to the bill. The amendment can be laid on the table without danger to the bill, and then we can take up the next amendment.

Mr. BANKHEAD. Will the Senator from Kentucky yield?

Mr. CHANDLER. I yield.

Mr. BANKHEAD. Suppose it were held, either by the Chair or by the Senate, that it was germane, but it was decided, on the contrary, to hold that it was new legislation, and therefore not admissible in the bill? It is contended that a ruling by a vote of the Senate that the amendment was germane would prevent the Senate acting on whether it was a violation of the rule as adding general and new legislation to the bill.

Mr. CHANDLER. The objection is not to an amendment. The objection called for in paragraph 2 is to a bill, it is not to an amendment. I am talking about an objection to an amendment, not to the bill. An objection to a bill should be made to a bill as a whole, under paragraph 2 of rule XVI. An objection to an amendment should be made under paragraph 4, and the amendment, if the objection is sustained, can be laid on the table without prejudice to the bill, and the Senate can proceed in an orderly manner.

I wish to ask the Chair again whether the Chair has made his final decision. Notwithstanding what the Senate has done or what the Senator from Maryland has urged, has the Chair made his final decision, or does he now wish to submit his final decision?

The VICE PRESIDENT. The Chair would like to make the statement that he feels that it was not the intent of the original formulators of the Rules of the Senate that a ruling on germaneness should obviate a point of order with regard to general legislation on an appropriation bill.

Mr. McKELLAR. We all agree to that.

The VICE PRESIDENT. The Chair is also informed that if the subject of germaneness is determined, and an amendment is held to be germane, then it is impossible to pass on the question of whether or not it is general legislation. The Chair feels that is wrong, that the Senate should have opportunity

to pass on the point whether a proposal is to add legislation to an appropriation bill. In view of the fact that the Senator from Washington in the first place made the latter point, the Chair took the position he has taken, because the point of germaneness was made secondly.

Mr. BARKLEY. The Chair has not ruled that if a point of order is made against language on the ground that it is not germane or not relevant he does not have to submit that to the Senate. The Chair does have to submit it to the Senate. The Chair's ruling is that a point of order having been previously made on the question of the amendment being general legislation, which is a different matter, that cannot be superseded by a subsequent point of order as to germaneness, the effect of which would be to deny any Senator the right to make the point.

The VICE PRESIDENT. The Senator has stated more accurately than did the Chair the intent of the Chair.

Mr. CLARK of Missouri. A parliamentary inquiry. As a matter of fact, the Chair has ruled that he is not required by rule XVI to submit the particular point of order made by the Senator from Maryland. Leaving out any generalizations about it, what the Chair has ruled is that he does not have to submit, under rule XVI the particular point of order made by the Senator from Maryland. Is not that what the Chair ruled?

The VICE PRESIDENT. The Chair wishes to change his ruling to the position as stated by the Senator from Kentucky.

Mr. CLARK of Missouri. A further parliamentary inquiry. Is it not a fact that the Chair has actually ruled that he will not submit the question of the point of order raised by the Senator from Maryland, and from that ruling the Senator from Tennessee has taken an appeal?

Mr. BARKLEY. Mr. President, the Chair's ruling meant simply that the point of order made by the Senator from Maryland was not in order to be made at the time it was made because another point was pending. That is the effect of it.

Mr. CLARK of Missouri. The Senator from Kentucky may rationalize and attempt to justify this remarkable decision of the Chair as much as he pleases, but the fact is that what the Chair has ruled is that he is not required by rule XVI to submit the point of order on germaneness raised by the Senator from Maryland. No matter how much the Senator from Kentucky may wish to rationalize that ruling the fact is that that is the effect of the language.

Mr. BARKLEY. I do not have to rationalize the ruling; it rationalizes itself.

Mr. BONE. Mr. President, unless my ears deceive me, after I had made the point the Chair ruled on it, and held that it was well taken. As I recall—and I assert this on the theory that my ears did not deceive me—thereupon the Senator from Tennessee [Mr. McKELLAR] appealed from the ruling of the Chair.

Mr. McKELLAR. No; the Chair withheld his ruling.

The VICE PRESIDENT. The Senator from Tennessee had been asking to be recognized, and he asked the Chair to withhold his ruling until he was recognized.

Mr. BONE. I have no objection to the matter being submitted to the Senate, but just for the purpose of the RECORD, and perhaps in aid of the new Senators who have come into the Senate in the last 2 years, and have not been through one of these rather heated debates, let us examine this picture for a moment, and see what will happen if the question of relevancy is raised, whether I may not avail myself of a rule of the Senate by raising the point that the amendment is legislation on an appropriation bill. That presents a rather peculiar picture, to say the least. Certainly, the right of any Senator to present the question of relevancy is no more sacred than the right under rule XVI to have presented, as I asked in the first instance, the question whether or not the amendment is general legislation on an appropriation bill.

SEVERAL SENATORS. Vote! Vote!

Mr. BONE. Mr. President, I have not yielded, and in view of the character of this debate, and the fact that it has touched a matter which has caused no end of discussion throughout the years, I shall ask for the yeas and nays on the question. We should all be willing to have a yea-and-nay vote.

Mr. STEWART. Mr. President, I wish to propound a parliamentary inquiry. Did the senior Senator from Tennessee, on behalf of the committee, withdraw all the amendments pertaining to T. V. A. which were in the bill day before yesterday when the Senate adjourned, on the submission of the new amendments this morning?

The VICE PRESIDENT. The Senator did not withdraw all the amendments.

Mr. STEWART. In the committee print of the bill we still have amendments in addition to the ones which lie on the desks of Senators this morning. I had understood that all the amendments in the committee print of the bill as it lay on our desks day before yesterday, were withdrawn.

The VICE PRESIDENT. They were first withdrawn.

Mr. STEWART. I do not understand how many amendments were withdrawn. I have been informed that there was only one T. V. A. amendment pending, that is, the one relating to covering into the Treasury the funds or receipts of the T. V. A.

The VICE PRESIDENT. That is all that is left now.

Mr. STEWART. If that is all that is left, what became of the others?

Mr. RUSSELL. Mr. President, I am a member of the Committee on Appropriations, and yesterday the committee authorized the acting chairman, the senior Senator from Tennessee [Mr. McKELLAR], to modify the committee amendment. The modification is in the form in which it now appears in the print, and the new print was made solely for the purpose of apprising Senators as to what is now the issue.

Mr. STEWART. Then the amendments which appear in the bill as re-

ported have been or will be withdrawn, and the new committee print will be substituted for all the original amendments. Is that correct?

Mr. RUSSELL. The committee amendment as modified by the committee reads in accordance with the print which has been prepared for the convenience of Senators. All other portions of the amendments were withdrawn, and the Senator from Tennessee was instructed to offer a modified amendment from the committee.

Mr. STEWART. Before the matter is voted upon, would it not be necessary to clarify the situation with respect to the pending amendment, the T. V. A. amendment? I had understood the Chair to say the amendments were not withdrawn. I am now told by one or two Senators around me that the amendments in the bill as reported by the committee were withdrawn this morning, and this new suggestion was offered by the committee as a substitute.

The VICE PRESIDENT. That is correct, but the new print does include some of the amendments which were formerly in the bill.

Mr. STEWART. Of course.

The VICE PRESIDENT. But the Chair understands they were all withdrawn, and this new print substituted.

Mr. STEWART. So the only T. V. A. amendments which are pending at all are the amendments which are in the committee print which was laid upon the desks of Senators this morning?

The VICE PRESIDENT. That is correct.

Mr. STEWART. Mr. President, let me make a further inquiry. The print which lies upon the desks of Senators is called a committee print, with the T. V. A. amendment, which was reported by my colleague, the acting chairman of the Committee on Appropriations. My parliamentary inquiry is, How can this amendment be reported as a committee print when the record of the Senate shows that the bill was not recommitted to the committee, but that it has been pending in the Senate all the time, and when the Senate recessed day before yesterday it was the pending business for today?

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. OVERTON. The committee print is not a report of the committee at all.

Mr. McKELLAR. Not at all.

Mr. OVERTON. It is simply on the desks of Senators.

Mr. McKELLAR. Yes; for the information of the Senate, so the Senate can understand what was done.

Mr. STEWART. It is not actually a committee report then?

Mr. OVERTON. What the committee did was to modify its own amendment; that is all.

Mr. STEWART. The committee modified its own amendment. So this is not, then, actually a committee report?

Mr. OVERTON. It is not a committee report. The acting chairman of the committee, acting under the authority of the whole committee, has modified the committee amendment.

Mr. STEWART. Then, I submit to the Chair that the motion of the Senator from Washington [Mr. BONE] is entirely out of order under paragraph 2 of rule XVI, because that paragraph refers to reports of the Committee on Appropriations. What we are discussing is not a report of the Committee on Appropriations. It is something which has been brought up from the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. BARKLEY. That would not make it impossible to make a point against general legislation under paragraph 4.

Mr. STEWART. I want to know whether we are proceeding under paragraph 4 or paragraph 2 of rule XVI. Under paragraph 2 the whole bill should be recommitted to the committee if the Chair were to be sustained in his ruling. Is not what we have before us something which was offered on the floor of the Senate by an individual Senator, and not by way of a committee report?

The VICE PRESIDENT. The Senator from Washington [Mr. BONE] made the point in the first instance under paragraph 2.

Mr. STEWART. Under paragraph 2, as I understood.

The VICE PRESIDENT. And the point of the Senator from Tennessee is that he appropriately should have made the objection under paragraph 4. Is that correct?

Mr. STEWART. There are very decided differences between matters covered by the two paragraphs. The RECORD will show what the Senator from Washington stated, but I understood him to say that he made his point under paragraph 2, and the question was whether the bill would automatically go back to the committee.

Mr. BONE. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. BONE. I am not at all concerned with any principle wrapped up in this debate except that this proposition contains legislation which it is sought to tack onto an appropriation bill. I find language of prohibition in both paragraphs.

Mr. STEWART. But, if the Senator from Washington please, under paragraph 2 the whole bill would have to go back to the committee.

Mr. BONE. I am not concerned except with fitting the shoe to the right foot. I am objecting to legislation being tacked onto an appropriation bill. The Senate certainly can iron that question out without great difficulty.

Mr. STEWART. If objection is made under paragraph 2, objection lies to the whole bill.

Mr. BONE. I am objecting to the proposal brought in by the committee. I assumed the committee brought it in. It is marked "committee print."

Mr. STEWART. That is my understanding, and I did not see how the committee could do that.

Mr. GILLETTE. Mr. President, the yeas and nays have been ordered.

Mr. BONE. No ruling has as yet been made.

Mr. GILLETTE. The Senator from Iowa desires to submit a parliamentary inquiry. He is desirous of knowing what is the question before the Senate.

The VICE PRESIDENT. The question is, Shall the decision of the Chair overruling the point of order of the Senator from Maryland [Mr. TYDINGS] that the question of germaneness of the amendment should be submitted to the Senate stand as the judgment of the Senate?

Mr. GILLETTE. Mr. President, the Senator from Washington raised a point of order which the Chair sustained, as I understand.

The VICE PRESIDENT. No; the Chair made no decision on that point of order.

Mr. GILLETTE. The Chair has not ruled on the point of order made by the Senator from Washington?

The VICE PRESIDENT. No; the Chair has not ruled on that point.

Mr. GILLETTE. While that question was pending the Senator from Maryland [Mr. TYDINGS] made a point of order bringing up the question of relevancy. Has the Chair ruled on that?

The VICE PRESIDENT. Yes; the Chair has ruled on that.

Mr. McKELLAR. The Chair has ruled on that, and there has been an appeal taken, I will say to the Senator from Iowa.

Mr. GILLETTE. If the question of relevancy is raised, it has, under the rule, to be submitted without debate; yet we have been debating here for an hour.

Mr. McKELLAR. I should like to make a point of order to that effect.

The VICE PRESIDENT. The Chair ruled on that point on the basis, as stated repeatedly, that it was not the intent of the formulators of the rule to have the point of germaneness obviate bringing up the question of whether an amendment proposes general legislation to an appropriation measure, especially in the case where the point relating to general legislation on an appropriation measure was brought up first.

Mr. GILLETTE. The Chair refused to entertain the point of order raised by the Senator from Maryland?

The VICE PRESIDENT. The Chair overruled the point of order made by the Senator from Maryland [Mr. TYDINGS].

Mr. GILLETTE. The Chair overruled the point of order made by the Senator from Maryland?

The VICE PRESIDENT. Yes; the Chair overruled the point of order made by the Senator from Maryland, and then the Senator from Tennessee [Mr. McKELLAR] appealed from the ruling of the Chair.

Mr. HILL. Mr. President, I do not want to delay the vote, but I think one of the wisest observations made in this discussion was that made by the Senator from Ohio [Mr. BURTON], when he called attention to paragraph 2 of rule XVI, and stated that if the point of order were made against an amendment, and that point of order were sustained, it would not automatically, under paragraph 2 of rule XVI, result in sending the bill back to the Appropriations Committee, be-

cause, as the Senator from Ohio called attention to, under paragraph 2 of rule XVI it is provided:

The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation, a point of order may be made against the bill—

Mr. President, note that, "against the bill"—

and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

In other words, if an amendment is brought to the Senate by the Senate Committee on Appropriations a point of order can be made against the whole bill. If the point of order is made against the whole bill and the point is sustained, then the whole bill goes back to the Committee on Appropriations. But under paragraph 4 a point of order can be made against the amendment, not against the bill, simply against the amendment, just as in the House of Representatives, if an amendment is offered and a part of it is out of order, a point of order can be made against the whole amendment, and if the point of order is sustained the whole amendment goes out; or a point of order can be made against only that part of the amendment which is out of order. In that case, if the point of order is sustained, only that part of the amendment which is out of order goes out.

All this discussion about paragraph 2 applying only to the Committee on Appropriations is true where the point of order is made against the whole bill, but where the point of order is made only to an amendment, it applies to an amendment whether it comes from the Committee on Appropriations or comes from an individual Senator on the floor.

Mr. CHANDLER. There is no doubt about it.

Mr. HILL. That is the way the rule reads. It reads exactly as the Senator from Ohio stated it. So I do not think the Senate ought to have the idea, and I do not think it is the intent of the rule that if an amendment is held to be out of order the whole bill must go back to the committee. If the point of order is made against the bill, and that point of order is sustained, then the bill, under paragraph 2 of the rule, would go back to the Appropriations Committee.

Mr. CHANDLER. Mr. President, may I ask the Senator a question?

Mr. HILL. Yes.

Mr. CHANDLER. If I correctly understood the Chair a moment ago, he said he entertained the question of germaneness raised by the Senator from Maryland. If the Chair did so, was he not bound under paragraph 4 of rule XVI to submit the matter to the Senate? The Chair has just said that he overruled that point, and that an appeal was taken from his ruling. Under the rules of the Senate is the Chair not bound to submit that question to the Senate?

Mr. HILL. Yes; but I think the Chair is absolutely right in holding that the first question to be determined is whether or not the matter in question

is legislation. Then if it is found that the matter in question is in order, the question rises as to whether it is germane. When the question of germaneness is raised, under the rule that is a question not for the Chair to decide but for the Senate to decide.

Mr. CHANDLER. Mr. President, will my friend hear me for just a moment?

Mr. HILL. I yield.

Mr. CHANDLER. If the Chair entertains the motion of the Senator from Maryland, under the rule he must submit the question to the Senate. The Chair has entertained it, and then he has not entertained it, because he did not submit it to the Senate as the rule requires. The Chair is apparently acting with respect to the attack made by my friend the Senator from Washington [Mr. BONE], which is not addressed to the bill but to a committee amendment.

Mr. HILL. That is correct.

Mr. CHANDLER. So you are getting the advantage of it in both ways, without giving the Senate the right to pass on it in either case.

Mr. HILL. No. If a point of order is made against the amendment on the ground that it is general legislation, without regard to how the Chair might rule on that point of order, any Senator would have a right to appeal from the ruling of the Chair, and that would give the Senate the right to pass on the point of order. The Senate cannot be denied its right to pass on any point of order if a Senator wishes to appeal from the decision of the Chair. On any decision the Senate has a right to appeal from the decision of the Chair.

Mr. CHANDLER. What is the Senator's understanding of the point of order raised by the Senator from Washington?

Mr. HILL. The point of order raised by the Senator from Washington was that the amendment was legislation on an appropriation bill and, therefore, under the rule was not in order.

Mr. CHANDLER. What was the procedure in connection with the point of order? First the Senator from Washington [Mr. BONE] made the point of order that the amendment was general legislation on an appropriation bill, in violation of paragraph 2 of rule XVI. Before the Chair ruled on that point of order, the Senator from Tennessee [Mr. McKELLAR] made the point of order that, under paragraph 4 of rule XVI, the amendment was germane. Subsequently, the Senator from Maryland [Mr. TYDINGS] made the point of order that the amendment was germane, and stated that it was the duty of the Chair to submit the question to the Senate, to be decided without debate. The Chair then overruled the point of order raised by the Senator from Maryland, and from that ruling the Senator from Tennessee [Mr. McKELLAR] appealed. Then the Chair went a little further, and said he entertained a point of order under paragraph 4 of rule XVI. But the Chair did not submit the question on the point of order to the Senate. The Chair overruled it.

Mr. HILL. The Chair did not submit it to the Senate because it had not reached that stage. As I understand the

matter, the first question is whether the amendment is legislation. If the decision is that the amendment is in order, as legislation, the next question is whether it is germane.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LA FOLLETTE. If I understood the most recent statement by the President of the Senate, it seems clear to me that the ruling is erroneous, because obviously the Chair has no right, under the specific injunction of the rule, to overrule a point of order with regard to germaneness. The rule is specific and mandatory and requires the Chair to submit that question to the Senate. I would not question the right of the Chair—I do not wish to take much of the time of the Senator from Alabama—

Mr. HILL. I am glad to have the Senator proceed.

Mr. LA FOLLETTE. I would not question the right of the Chair to determine whether he would entertain a point of order when another is pending. That raises an entirely different issue.

But if, as the Chair most recently stated, the Chair had overruled the point of order of germaneness, as made by the Senator from Maryland, and if the Senator from Tennessee had appealed from that decision, if question then should arise as to whether the decision of the Chair should stand as the decision of the Senate, it seems to me the rule is clear that the Chair has no power to overrule a point of order on germaneness or relevancy.

I understood, in all the confusion and discussion, that the position of the Chair, as stated, other than in the Chair's ruling, was that the Chair felt that the point of order made by the Senator from Washington could not be or should not be displaced by a subsequent point of order concerning germaneness. That question is entirely different from the one most recently stated by the Chair, namely, that the Chair had overruled the point of order relative to germaneness made by the Senator from Maryland, and that the appeal would come on that basis, because it seems to me the rule is clear that the Chair has no right to rule on the question of germaneness or relevancy.

Mr. CLARK of Missouri. Mr. President, it seems to me that the question presented by the appeal is the very simple one of whether the Chair, even the Vice President of the United States, the constitutional Presiding Officer of the Senate, has a right to disregard the rules of the Senate. The question presented, as I understand it, by the appeal is the question whether the Chair is required by the rules of the Senate to submit the question of germaneness to a vote of the Senate. The latest decision of the Chair is, not that the Chair was not required to submit it at this time because of the pendency of a point of order made by the Senator from Washington, but that the Chair had entertained the point of order of the Senator from Maryland, and had overruled it.

Mr. President, I insist that under the plain language of paragraph 4 of rule XVI, the Chair is prohibited from undertaking to pass on the question of germaneness, either to overrule or to sustain the point of order on the question of germaneness. I insist, Mr. President, that the question on appeal should be the question whether the Chair is required to submit a point of order on the question of germaneness, under rule XVI, and that if the Chair is overruled on that contention, the question of germaneness then should be submitted to the Senate. Because there are some Senators, probably many Senators, who certainly do not desire to sustain such an arbitrary decision on the part of the Chair, namely, a decision by which the Chair assumed to overrule a point of order on the question of germaneness, who might, on the vote on the question on the merits of the matter of germaneness, consider that the amendment was not germane, and that therefore the point of order of the Senator from Maryland was well taken.

But it seems to me that the Senate is entitled to vote first on the question whether the Chair is required to submit the question to the Senate; and that if the Chair is overruled on that question, the next question is that of germaneness.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum, so that sufficient Senators will be present when a vote is taken on this question.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Eastland	Reed
Andrews	George	Revercomb
Austin	Gerry	Robertson
Bailey	Gillette	Russell
Ball	Hawkes	Shipstead
Bankhead	Hayden	Smith
Barkley	Hill	Stewart
Bone	Holman	Thomas, Idaho
Brewster	Johnson, Colo.	Tunnell
Bridges	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Weeks
Byrd	McKellar	Wheeler
Capper	Maloney	Wherry
Chandler	Maybank	White
Clark, Mo.	Mead	Wiley
Connally	Millikin	Willis
Danaher	O'Mahoney	Wilson
Davis	Overtown	
Downey	Radcliffe	

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The VICE PRESIDENT. Sixty-four Senators have answered to their names. A quorum is present.

The Chair wishes to state, because some Senators who were not previously in the Chamber may now have entered—

Mr. BONE. Mr. President, will the Chair state the effect of a yea-and-nay vote on the pending question?

The VICE PRESIDENT. Because this is a matter which may have some importance for the future of the Senate, and because the question may arise on many occasions in the future, the Chair feels that the Senate should have the full background of the point at issue.

There have been several precedents with regard to the matter. The Chair has been disturbed as to the precedents. The one which the Chair read earlier had to do with an amendment relating to the Rural Electrification Administration. The Senator from Nebraska, Mr. NORRIS, said:

Mr. President, no question of germaneness has been raised. The point is that the amendment is general legislation on an appropriation bill.

The Presiding Officer then proceeded, at the suggestion of the Senator from Georgia [Mr. RUSSELL], and stated that the proviso was germane, and the point was never passed upon as to whether or not the amendment was general legislation.

The Chair felt that that was incorrect. He felt that that was not the intent of those who originally wrote rule XVI in its entirety.

The point was then made by the Senator from Maryland [Mr. TYDINGS] that the section was not germane. The Chair ruled on that point. The Chair did not intend to rule that the Senate did not have a right to pass on the germaneness in general, but intended to rule that the Senate did not have the right to pass upon the question of germaneness at that time, because of the fact that the Senator from Washington [Mr. BONE] had already raised the issue that the amendment was general legislation in a general appropriation bill. The Chair definitely felt that the Senate should not be estopped from a decision on that point, because of the question of germaneness having subsequently been raised.

The Chair should have ruled—though in the haste of the moment he did not so rule—that the objection made by the Senator from Maryland at that time was out of order. That was the intention of the Chair. At that time the objection was out of order. In view of the fact that the yeas and nays have been ordered on the question previously stated, the Chair does not know whether the Senate would entertain a change in the ruling to that effect—that at that time the motion was out of order. It will be shown by the statements surrounding the issue that that definitely was the intention of the Chair. However, the statement, as boiled down by the parliamentarian, did not have that in it. It should have been in it.

The Chair will now state the intent of the ruling of the Chair:

It is the ruling of the Chair that the point of order of the Senator from Maryland [Mr. TYDINGS] that the question of germaneness of the amendment should be submitted to the Senate, was out of order at that time.

The question is, Shall the ruling of the Chair stand as the judgment of the Senate? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the affirmative when his name was called.

Mr. BONE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The clerk has already started the calling of the roll.

Mr. AIKEN. Mr. President, is a vote "yea" a vote to sustain the Chair?

The VICE PRESIDENT. A vote "yea" is a vote to sustain the Chair.

Mr. HAYDEN (when his name was called). I have a general pair with the Senator from North Dakota [Mr. NYE]. Not knowing how he would vote, I withhold my vote.

Mr. STEWART. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Is there objection?

Mr. WHITE. Mr. President, I understood that once before the calling of the roll was interrupted, or almost interrupted. I think we should adhere to the rule, and not permit interruptions.

The VICE PRESIDENT. Objection is heard.

Mr. STEWART. Mr. President, I merely wish to say that I desire information to advise me how to vote on this question.

Mr. CLARK of Missouri. I will give the Senator advice. Vote "nay."

Mr. STEWART. Mr. President, may I ask the Senator from Maine to withdraw his objection?

The VICE PRESIDENT. Does the Senator from Maine accede to the request of the Senator from Tennessee?

Mr. WHITE. I thought the matter was disposed of.

Mr. STEWART. I merely wish to propound a parliamentary inquiry for my own information, for the purpose of aiding me in casting my vote.

Mr. VANDENBERG. Mr. President, I call for the regular order.

The VICE PRESIDENT. The regular order is demanded. The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. BRIDGES (after having voted in the negative). I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Illinois [Mr. BROOKS], who if present would vote "nay," and allow my vote to stand.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness. The Senator from New Jersey [Mr. WALSH] is absent attending a funeral.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Idaho [Mr. CLARK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Indiana [Mr. JACKSON] is absent on official business.

The Senator from Utah [Mr. THOMAS] is detained in one of the Government departments on matters pertaining to the State of Utah.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present he would vote "nay."

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The result was announced—yeas 17, nays 46, as follows:

YEAS—17

Aiken	Burton	Langer
Austin	Butler	Mead
Ball	Danaher	O'Mahoney
Bankhead	Downey	Tunnell
Barkley	Gillette	Wagner
Bone	Hill	

NAYS—46

Andrews	Holman	Shipstead
Bailey	Johnson, Colo.	Smith
Brewster	La Follette	Stewart
Bridges	McCarran	Thomas, Idaho
Buck	McClellan	Tydings
Bushfield	McFarland	Vandenberg
Byrd	McKellar	Walsh, Mass.
Capper	Maloney	Weeks
Chandler	Maybank	Wheeler
Clark, Mo.	Millikin	Wherry
Connally	Overton	White
Davis	Radcliffe	Wiley
Eastland	Reed	Willis
George	Revercomb	Wilson
Gerry	Robertson	
Hawkes	Russell	

NOT VOTING—33

Bilbo	Gurney	O'Daniel
Brooks	Hatch	Pepper
Caraway	Hayden	Reynolds
Chavez	Jackson	Scrugham
Clark, Idaho	Johnson, Calif.	Taft
Cordon	Kilgore	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	Moore	Tobey
Glass	Murdoch	Truman
Green	Murray	Wallgren
Guffey	Nye	Walsh, N. J.

So the Senate refused to sustain the ruling of the Chair.

The VICE PRESIDENT. The Chair submits to the Senate the question, Is the amendment germane? (Putting the question:) The yeas have it, and the amendment is ruled to be germane.

The question now is on agreeing to the amendment.

Mr. HILL. Mr. President, I rise in opposition to the committee amendment, which as the Senate knows, requires the Tennessee Valley Authority to turn all its receipts quarterly into the Treasury, and then an appropriation has to be made to provide money for the Tennessee Valley Authority.

Mr. President, the language in the bill as it passed the House, as well as the language which has appeared in appropriation bills for the past 9 years making appropriations for the Tennessee Valley Authority, sets up a special T. V. A. fund in the Treasury Department. Under that language, for the past 9 years all receipts of the Tennessee Valley Authority have been paid into the special fund in the Treasury. Not one dollar has been drawn out of that fund by the Tennessee Valley Authority except as the money has been appropriated out of that fund by the Congress of the United States for the Tennessee Valley Authority.

Under language carried in the bill today, as well as the language carried in the bills during the last 9 years, Congress has specifically appropriated the receipts turned by the Authority, into the Tennessee Valley Authority fund for the fiscal year, so that having turned all its receipts into the Treasury, it had a right to draw on and pay out those funds. However, I wish to emphasize that not one dollar can be drawn out except when it has been expressly appropriated by the Congress.

What Congress has done in the past has been to provide that the receipts for a particular fiscal year could be drawn out of that fund. That is the way the language carried in the bill as it passed the House reads. It gives to the Tennessee Valley Authority the right to make use of the receipts which it takes in during a given fiscal year. In fact, in the bill providing funds for the Tennessee Valley Authority for the last fiscal year, and for the coming fiscal year, as carried in the House language, no new funds have been provided for the Tennessee Valley Authority. What the Congress did was to make these funds available to the Tennessee Valley Authority, and also make available to the Authority any unexpended balance which might be left in the Tennessee Valley Authority fund at the end of the fiscal year, June 30.

Under such procedure the Tennessee Valley Authority for the past 9 years, has gone before the Bureau of the Budget and submitted its estimates, just as all other departments of the Government go before the Bureau of the Budget and submit their estimates.

I have before me the estimates of the Tennessee Valley Authority for the coming fiscal year, ending June 30, 1945. An examination of the estimates shows that the Tennessee Valley Authority has submitted its estimates in the same detailed manner as was done by other agencies and departments of the Government.

Under the law the Tennessee Valley Authority each year makes its annual report. I have before me the last annual

report, for 1943. The report contains some 323 pages, and an examination of it shows how detailed it is. The report goes into detail concerning all the operations of the Tennessee Valley Authority, and gives all details concerning the expenditure of its funds.

The Tennessee Valley Authority has to go before the House Committee on Appropriations in exactly the same way as all other Government agencies which expend Government funds go before that committee. The T. V. A. submits to that committee in detail its estimates, and its break-down of the money which it needs and expects to expend. The Tennessee Valley Authority is subjected to examination and investigation by the House Appropriations Committee, just as all other agencies of the Government are subjected to similar examination and investigation.

When the appropriation bill comes to the Senate, the Tennessee Valley Authority goes before the Senate Committee on Appropriations. There, before that committee, it is subjected to the same examination and to the same investigation, so far as its funds are concerned, and so far as its receipts and expenditures are concerned, to which every other agency of the Government is subjected.

In other words, the Tennessee Valley Authority by Budget estimates, by its annual report, by its appearance before both the House committee and the Senate committee makes the same statement to the Congress with reference to its expenditures that every other agency of the Government has to make.

Mr. President, the money comes out of the Treasury only through appropriations by the Congress. What, then, is the issue in dispute here? The question is whether the Tennessee Valley Authority should put its funds into the Treasury and have the Congress appropriate those funds as they are received, so that the Tennessee Valley Authority may use them when they come in, or whether the Tennessee Valley Authority shall have all its funds deposited in the Treasury, to remain there and then come to the Congress and have the Congress appropriate money out of the Treasury for the expenses and the needs of the Tennessee Valley Authority. By being allowed, as the Authority has been allowed to do for the past 10 years, to use these funds through the appropriation by the Congress the Tennessee Valley Authority has more flexibility, has greater leeway to meet emergencies and meet unexpected situations which may arise during a fiscal year than if specific and definite appropriations were made by the Congress months ahead of the time when the emergencies or the unexpected needs might arise.

During the period from September 1939 to December 1941, that very critical period in the life of our country, when it became so imperative for us to build up our defenses, to increase our war production and when it became so necessary to develop as much electric power as possible, the Tennessee Valley Authority was able to produce 2,000,000,000 kilowatt-hours of power in excess of its contract commitments. It was able to produce

that much needed additional power because of efficient management, but more particularly because it was not tied down too tightly to specific amounts that had been appropriated months before the need for the additional power arose, and because it was allowed to use its receipts, which provided the Authority with sufficient money to enable it to go ahead and produce the additional power to meet this urgent need.

Mr. President, on January 13 last Mr. Donald Nelson, Chairman of the War Production Board, wrote a letter to the Hon. Harold D. Smith, Director of the Bureau of the Budget, as follows:

As you know, the War Production Board has recently found it necessary to stop work on certain electric-generating projects of the Department of the Interior, the Tennessee Valley Authority, and the War Department.

That work was stopped on account of the need for critical materials on more urgent projects.

All of these projects—

Mr. Nelson continues:

All of these projects had been authorized by the Congress and appropriations had been made for them.

Major new electric projects are among the chief competitors with our most urgent and important war program, such as rubber, aviation, gasoline, heavy bombers, warships, merchant ships, ammunition, and lend-lease. Because of the exceedingly tight situation as to critical materials, manufacturing facilities, and manpower for such programs, it has been necessary for us to operate and plan on the basis of close margins in the electric field.

In consequence, if changing conditions at any time during the next 6 months should dictate expansion of our existing power program, it would be necessary to reinstate some of the halted Federal projects on very short notice. In that event, any delay in resuming work might prevent completion of the project in time to meet power requirements in the area affected. We have planned our power program with a high degree of flexibility so that we shall be able to meet all contingencies, provided only that the operating Government agencies which we count upon to provide expansion will themselves be in a position to act with promptness.

In order that we may be prepared for quick action, as circumstances may require, I should like to enlist the cooperation of the Bureau of the Budget in measures to make funds available to the Government power agencies so that the moment the War Production Board decides that any particular project must be reinstated the money for that purpose will be immediately available. Until just before the decision to reinstate any project it is impossible to specify the projects or the total capacity which it might be necessary to have. However, on the basis of present outlook, there is a possibility that at some time prior to the end of this fiscal year we should want to reinstate as much as several hundred thousand kilowatts of capacity for the Department of the Interior, several hundred thousand for the Tennessee Valley Authority, and a substantial although lesser amount for the War Department, all to be selected from among the projects recently halted.

I shall greatly appreciate your advice as to what steps are necessary to be prepared, from the budgetary standpoint, for such a program. We shall, of course, be glad to go over this matter with you in detail, and, if desirable, I shall be glad to present to the appropriate committees of the Congress the urgent necessity for the measures I am recommending.

I am sending a copy of this letter to the Secretary of War, the Secretary of the Interior, and the Chairman of the Tennessee Valley Authority.

Sincerely yours,

DONALD M. NELSON.

In other words, Mr. Donald Nelson, who is responsible for the war production of this country, who is responsible for getting the guns, the ships, the planes, and the equipment to our boys in all the many different theaters of the battle line, told Mr. Smith, the Director of the Bureau of the Budget, that additional power might be needed from the Tennessee Valley Authority, and advised Mr. Smith to make sure that there was sufficient flexibility so far as the funds of the Tennessee Valley Authority were concerned so that they could when and if needed step up their power production.

In that connection let me read a telegram which I received only this morning from Decatur, Ala., which is in the Tennessee Valley Authority area. The telegram, which is addressed to me, reads:

Let me give you an illustration of the danger to war industry in the six States served by T. V. A. if the Congress must pass on all expenditures. At the present time Goodyear Decatur Mills has called for 7,000 horsepower needed to produce rayon tire fabric, No. 1 on the critical material list of the armed forces. This means T. V. A. must spend \$40,000 immediately to make that power available within a month or two. Further, war plants at Decatur have increased power requirements so rapidly and so heavily that our central substation transformers must be changed to larger ones before hot weather. If they are not changed the present transformers will burn up this summer and cause interruption to power for the entire city for at least 2 days at the minimum. These transformers may not be on hand and will have to be purchased. They will cost approximately \$50,000. All these things cannot always be foreseen.

Multiply this illustration in hundreds of communities and cities in the six States depending upon T. V. A. for power and you will understand readily why T. V. A. must have flexibility in handling of funds.

The telegram is signed by Mr. Barrett C. Shelton, representing the people of the 13 north Alabama counties in the T. V. A. area.

Mr. President, those are merely small illustrations of the fact that months in advance neither Congress nor anyone else can determine exactly what the need will be for expenditures in the operation of a great power system such as the Tennessee Valley Authority.

If the Tennessee Valley Authority is to be operated on an efficient, businesslike basis, and if it is to be allowed to meet the changing and compelling needs of war, it must have flexibility with reference to the expenditure of its funds, it must be able to make expenditures the need for which no person could foresee months in advance. There could be no better illustration than that provided by the telegram of what the situation will be if the Congress undertakes ahead of time to say in detail just what these expenditures shall be.

The very history of the bill now before the Senate shows how impossible it is even for the Senate Committee on Appropriations to know about the details of the management and operation of the

Tennessee Valley Authority. The distinguished acting chairman of the Senate Committee on Appropriations, the Senator from Tennessee [Mr. McKellar], first offered a number of amendments to the bill in the subcommittee. Under those amendments, the fertilizer program of the Tennessee Valley Authority would have been absolutely destroyed, the power program of the Tennessee Valley Authority would have been seriously impaired. The Tennessee Valley Authority in its operations would have been literally gutted.

Then the Senator from Tennessee, realizing that many of those amendments were not practical, that the Tennessee Valley Authority could not operate efficiently, on a businesslike basis, with such amendments in the law, himself agreed to the withdrawal of some of them.

The bill as reported to the Senate contained other amendments, limitations on expenditures, fixed expenditures, where the expenditures would have to be made months ahead of time. After the bill was reported with those amendments, the acting chairman of the committee, the Senator from Tennessee, who was the author of the amendments, on his own motion took the amendments back to the Committee on Appropriations, and asked for authority to withdraw some 16 of them, showing that he realized how impractical were the amendments, how harmful they would be to the Tennessee Valley Authority, and that the Congress of the United States could not under any circumstances be justified in adopting them.

Even now, Mr. President, as we find the bill before us, it does not make sufficient appropriations to carry on even the work and the projects which the committee itself has approved. If the bill shall pass appropriating what it now provides, the Tennessee Valley Authority will lack some \$30,000,000 necessary to meet obligations and commitments now outstanding against the Authority, and to carry out the program as approved by the committee for the next fiscal year.

Mr. BONE. Mr. President—

The PRESIDING OFFICER (Mr. Radcliffe in the chair). Does the Senator from Alabama yield to the Senator from Washington?

Mr. HILL. I yield.

Mr. BONE. Mr. President, I should like very much to secure from the Vice President, as Presiding Officer, a decision on the status of my point of order, which did not go to the question of relevancy but to the question of the amendment being legislation on an appropriation bill. It is conceivable, I suspect, even as a question of pure law, that a proposal in a bill might be relevant, and still constitute legislation on an appropriation bill.

I do not seek to prolong the discussion; I should merely like to have a decision of the Chair on that matter, and then I can let it rest. I should like to know the status of the point I submitted. It is smothered up now and forgotten, and no one knows anything about it. I confess I do not know its status, and I think that in order to bring to repose the issues which were threshed out today, the question should be decided.

The PRESIDING OFFICER. The present occupant of the chair was not in the chair when the point was made by the Senator from Washington.

Mr. BONE. I raise the question now, while the Vice President is in the Chamber, and I think we can bring this matter to repose here promptly, if the Vice President will take the chair and decide that my point no longer exists. I raised the point of order that the amendment was legislation on an appropriation bill, and that matter has not yet been disposed of. I should like to know whether it is still pending, because I intend to present it again, if it is within the rules for me to do so.

The question was raised in the discussion here this morning that, by the process we employed here today, the Senate would not be permitted to pass on the point of order I raised. That does not outrage my feelings; I am merely curious to know the status of a suggestion of that kind from a Member of the Senate, if it is raised against an amendment in an appropriation bill, that it is general legislation. I want the point decided.

I suggest the matter to the Chair, and ask the Vice President, as Presiding Officer, to decide the status of my point of order against the pending amendment.

I am sorry if I have interrupted the Senator from Alabama. I hope he will forgive me, but I was fearful that I would not be able to reach this matter while the Vice President was present if I did not do so at this time.

The VICE PRESIDENT. The Chair observes that, under the precedents, whenever the Senate has ruled that a particular amendment is germane, the Senate thereupon has concluded, either directly or indirectly, that the question of whether or not it is general legislation in an appropriation bill does not arise.

The Chair is not aware of the basis on which that conclusion was arrived at, but that does happen to be the precedent, and in view of the tendency of the Senate always to rule on the merits of the instant case rather than on the merits of the Senate rules, the Chair, in view of the recent happenings, does not care to open the matter again and have the Senate operate upon him again in the same way. [Laughter.]

Mr. HILL. Mr. President, if the committee amendment shall be adopted and the T. V. A. denied the use of its receipts, and if it has to depend upon the sum of \$79,134,882, carried in the bill, then the T. V. A. will find itself in the position of having obligations outstanding as of June 30, 1944, estimated to total approximately \$30,000,000, and with no funds with which to meet those obligations. The T. V. A. will begin the fiscal year with \$30,000,000 of obligations without a dollar with which to meet them. It will find itself without a reserve fund of some \$8,500,000 to be used to complete construction of the Watauga and the Holston Dams and for the construction of the phosphorous plant at Mobile, Ala., if the War Production Board shall say that its construction should go forward for war purposes.

It will also find itself without any funds, so far as possible expansion of power facilities for war purposes requir-

ing additional expenditures beyond estimates for operations of steam plants, and purchase of energy from neighboring systems. Under the language now in the bill, without the committee amendments, we know that such expenditures would be met by increased revenues. If we are to meet the obligations which the Tennessee Valley Authority will owe on the 1st of July, obligations to private citizens, to taxpayers of the United States, we will be \$30,000,000 short of the funds necessary to carry out the program of operations for the Tennessee Valley Authority as approved by the Senate Committee on Appropriations.

What I am wondering is what the Senate Committee on Appropriations has in mind? Does the committee mean that the Tennessee Valley Authority shall not meet its obligations, that it shall not pay its debts? Does it mean that it shall not construct the necessary transmission lines, so that the new power which will come into being at the great Fontana Dam and at the great Kentucky Dam may not flow into the Tennessee Valley power system? Does it mean that the other construction now going on which will develop more power for war production, and produce increased returns to the T. V. A., and to the Treasury, shall be stopped? Does it mean that the fertilizer program shall be discontinued so that there may be a saving in that respect of some \$4,000,000 to be paid on these commitments? I am wondering just what the Senate Committee on Appropriations has in mind in not making provision for at least these obligations involving some \$30,000,000. If those obligations are not met, if the money is not provided to meet them, it would make it impossible to pay vendors and constructors for materials and supplies such as cement, coal, coke, lumber, steel transmission towers, services rendered under war relocation contracts, or bridge construction contracts, or to meet unpaid bills for freight, express and passenger fares.

Furthermore, Mr. President, contractors would presumably be asked to forego refundable deposits in the nature of performance bonds which they have placed with the T. V. A. These unpaid obligations will amount to some \$10,000,000 alone on June 30, 1944. The contractors who have put up money as performance bonds, when they have carried out their contracts, are entitled to have their money returned to them; and yet under the appropriations provided by the Committee on Appropriations, no money will be available to refund this money, that is, unless certain operations which the committee has approved for the next fiscal year are not to be carried out.

Mr. TYDINGS. Mr. President—

The PRESIDING OFFICER (Mr. Johnson of Colorado in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HILL. I yield.

Mr. TYDINGS. The Senator is perfectly justified in showing his concern for the proper functioning and, I may say, the proper development and proper financing of all the T. V. A. activities, and it is to that phase of the matter I understand he is directing his remarks?

Mr. HILL. I am,

Mr. TYDINGS. I believe the Senator would be well advised if he would assume that whenever the T. V. A. comes before the Appropriations Committees of the House and Senate and shows that it needs funds for any particular purpose the Congress will appropriate the funds so that there will be no hiatus between performance of work, or the proper development, and the payment for it. I can appreciate that the Senator wants to make that as certain as possible, but the committee, by taking this action, does not intend that there shall be no money on which the T. V. A. may operate. What the committee wants to be certain of, however, is that when money is needed the Congress shall authorize it so that some check may be kept on the operations.

Mr. HILL. I will say to the Senator that the money is needed now, and yet the committee has failed to provide the money. I wish to say to the Senator that I believe he does not have any more faith in the committees of the House and the Senate than I have, but the committees of the House and the Senate simply cannot operate a great power system 500 miles away from their committee rooms.

Mr. TYDINGS. The Senator is correct, and the committees are not going to attempt to operate the system. What the Senate committee wants is to have the T. V. A. make known to the committee how much it needs for current operations each year, how much it needs for developments so that we, who are the parent of it all, may help develop whatever there is to be developed there in unison, and not have an unchecked operation. If that organization is entitled to or needs money now in addition to any money it may have available, all it has to do is to come before the Appropriations Committee of the House and the Senate and make out a case. It can do that in 30 days; it can do it in 60 days; and if the proposition has merit I shall be glad to help the Senator to see that sufficient funds are provided.

Mr. HILL. Mr. President, the trouble is that the Tennessee Valley Authority has just been before the committee and has just made out its case, and yet it has not been given the funds needed to meet the obligations and carry out the program as approved by the committee.

Mr. TYDINGS. If the Senator will allow me, I should venture this interpretation: As I understand, the law gives authority to the T. V. A. to take out of revenues such sums as necessary to maintain the plants, and make replacements, and so forth.

Mr. HILL. I will say to the Senator that all I am fighting for is that right which the law gives the T. V. A., but under the committee amendment that right is taken away from it.

Mr. TYDINGS. I do not so interpret it.

Mr. McKELLAR. Not at all.

Mr. HILL. Will the Senator from Maryland say why he does not so interpret it?

Mr. TYDINGS. Let me say before we leave that point that I have talked with other Senators whose States are directly affected by the proposed action, Sena-

tors from States in which some of the operations of the T. V. A. are now taking place, and certainly those Senators would not want to favor legislation which would cripple the proper functioning of the plant, and they assure me—and they have studied the law well—that there is ample authority in the existing law for repairs and replacements of transformers, lines, and general operations, without coming back to Congress.

Mr. HILL. The Senator is exactly correct, that that right exists in existing law. That is why I oppose the suggested amendment. The Senator is a good lawyer, and if he will read the amendment, he will see that under it the Tennessee Valley Authority cannot spend one red copper cent out of its receipts, no matter how urgent the need may be. No matter how great the emergency may be, how compelling it may be, they cannot use their receipts. The Senator is a good lawyer. I am glad he raised the question. I read from the committee amendment, page 2, line 15:

And all the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 and subsequent fiscal years, shall be covered quarterly into the general fund of the Treasury of the United States.

So the T. V. A. would be required to put all its funds into the Treasury and would not be allowed to expend any of them.

Mr. TYDINGS. I do not interpret the provision in that way at all.

Mr. HILL. The Senator is a far better lawyer than is the Senator from Alabama. If that is not what the language of the proposed amendment states I want the Senator to tell me what it states.

Mr. TYDINGS. Let us narrow the issue first of all to see what is in dispute. Does the Senator mean to say that the Tennessee Valley Authority must instantly turn over to the United States Government every cent it takes in?

Mr. HILL. No; I do not mean that.

Mr. TYDINGS. Then we have eliminated that part of it. Then under the Senator's interpretation how much can the T. V. A. retain of its receipts?

Mr. HILL. Not a single penny. The language says that all receipts must be turned in quarterly. That means at the end of 90 days every dollar that is coming in must go into the Treasury. So that if every dollar and every penny must go into the Treasury at the end of 90 days, the T. V. A. cannot spend the money, because if it spent it it would be violating the law which says it must turn it in to the Treasury.

Mr. TYDINGS. Then, the Senator's position is that, of all the money which comes into the T. V. A., not a single penny at any time can be kept by the T. V. A. to pay its expenses; is that correct?

Mr. HILL. So far as receipts are concerned.

Mr. TYDINGS. I say, of all the money.

Mr. HILL. That is correct. But I wish to be frank. I say to the Senator that from all the receipts which come in from the sale of power, fertilizer, or from any other source, if the proposed amendment is agreed to by the Senate and by

the House, and becomes the law of the land, the T. V. A. will not be able to spend a single penny out of its receipts.

Mr. TYDINGS. Of course, I do not agree with the Senator.

Mr. HILL. Why not?

Mr. TYDINGS. To confine it a little further, let us suppose that the amendment becomes part of the law, and let us assume that the employees of the T. V. A. are paid twice a month. Does the Senator believe that after the law is signed, no one working for the T. V. A. will receive any pay—

Mr. HILL. No; I would not say that.

Mr. TYDINGS. Why not?

Mr. HILL. Because if Congress had appropriated the money with which the T. V. A. was to pay salaries, it could pay them, but the employees of the T. V. A. could not receive any pay out of the receipts.

Mr. TYDINGS. In this very bill, the appropriation figure is "\$79,134,882."

Mr. HILL. That is an appropriation which, I say, is, at a minimum, \$30,000,000 short of meeting the commitments of the T. V. A. and of meeting the program which the Senate Committee on Appropriations has approved for the next fiscal year.

Mr. TYDINGS. But the point I make is, Will not the T. V. A. have \$79,134,882 in its treasury, to use for its expenses?

Mr. HILL. The Senator is correct as to that. The T. V. A. would have the \$79,000,000.

Mr. TYDINGS. Yes; and that \$79,000,000 is nothing more than a reappropriation of the receipts turned in and handed back to the T. V. A. for a specific purpose.

Mr. HILL. Of course. But there is a vast difference, I say to the Senator. That makes the T. V. A. absolutely dependent, in respect to the expenditure of every penny, on a direct, specific appropriation. That is where the issue arises, and that is what I am opposed to. I think the T. V. A. should have a certain amount of flexibility in order to meet emergencies, to meet unexpected situations brought about either by war or weather or other causes, by using its receipts. Under the amendment, although its transactions will be checked by the Comptroller General, and will also be subject to a private commercial audit; yet it will have to go before the Bureau of the Budget, it will have to make its annual report to Congress, it will have to go before the House Committee on Appropriations and the Senate Committee on Appropriations, and then the appropriation bills will have to be threshed out on the floor of the House and on the floor of the Senate.

Mr. TYDINGS. I wish to say I am not quarreling with the Senator's general position—

Mr. HILL. Mr. President, if the Senator is not quarreling with my position, I hope he will vote with me.

Mr. TYDINGS. If the Senator will permit me to complete my statement, I was saying that I am not quarreling with the Senator's general position, but with his specific position. If the Senator will permit me to explain, I shall do so.

We are coming to the time when we shall have a national debt of \$300,000,000,000, which is \$8,500 for every family in America, rich or poor, black or white. However, that is only the national debt. There are the State, city, and county debts, and there are also the private debts. Already the burden of taxation is far inadequate to supply the funds necessary to keep the debt down.

Here is an agency for which Congress has appropriated nearly \$800,000,000. Does not the Senator feel that the time has now come when the Congress should look into the operations of that agency, and should take back into the Treasury such part of its receipts as the Congress may deem wise to take back, leaving the remaining part of its receipts to be spent by the T. V. A., under congressional approval? That is my specific objection.

I do not feel that in time of war we can afford to drive up still higher a \$300,000,000,000 debt, without saving out of the T. V. A. and all other agencies in America every reasonable dollar which present wartime conditions will permit us to save.

Mr. HILL. I say to the Senator that I share his concern for economy; but when we fail to give to the T. V. A. the necessary flexibility so that it can meet the wartime production needs, and so that it can take care of unexpected and emergency situations, we do not practice economy. We reduce the revenues; we waste power which is available; and, instead of running the power system on an efficient, economical, businesslike basis, we run it on a wasteful, inefficient, unbusinesslike basis.

Mr. TYDINGS. I agree that it would be idle to cut the T. V. A.'s funds to the point where the T. V. A. could not operate, with the result of diminishing returns, rather than full returns. But I do not believe that will be the case in this matter. Let me say to the Senator that if one is to be in favor of economy, he must be in favor of economy, and the "but" must be there with a small "b," not a capital "B." Otherwise, all the talk is just so much chatter, and produces no economy at all.

Mr. HILL. I thoroughly agree with the Senator. But we reach the point of diminishing returns, where the so-called economy is not economy at all, but is a matter of waste.

By way of illustration, let me say that if the T. V. A. does not have sufficient money to enable it to buy or install the necessary transmission lines to bring the new power which will come from the Fontana Dam into the power system, where that power can be sold to customers, where the T. V. A. cannot only get back the cost of generating the power but also a reasonable profit which will pay the interest on the investment and will help amortize the cost—in other words, if we put the T. V. A. in a position where it will have to waste that power, rather than obtain a return on it—that is not economy.

Mr. TYDINGS. Of course, I do not think we are in that position.

Mr. HILL. Let me say that no one has more faith in the Congress than have I. But the Senator from Maryland,

who has been in the Congress a long time—I think he and I entered the Congress together; he was elected to the Senate long before I was, but we entered the House of Representatives together—knows that, with all the conscientiousness of Congress, there are many delays incident to congressional action. Right on this floor, at times, matters have come up which have provoked long debate.

Mr. TYDINGS. Mr. President, will the Senator permit me to interrupt him?

Mr. HILL. Yes.

Mr. TYDINGS. I shall not interrupt him further. I simply wish to make this rejoinder: If, during the conduct of this war, with so many lives dependent on congressional appropriations, the Army and the Navy, with their long-range program, can obtain sufficient funds in advance to give the men in the service everything in the world they need in the way of weapons, equipment, and munitions, I fail to see how the peacetime activity of the T. V. A., with its smaller problem, cannot do what the Army and the Navy have been doing ever since the present war started.

Mr. REED. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. REED. I should like to ask the distinguished and amiable Senator—

Mr. HILL. Mr. President, I do not want the Senator to describe me as being amiable. I do not think that is a compliment. I do not want to be too amiable. [Laughter.] I have my hand on my knife right now.

Mr. REED. I should like to ask the Senator if he will distinguish between the T. V. A. and the Post Office Department.

Mr. TYDINGS. Or between the T. V. A. and the Army and the Navy.

Mr. REED. The Post Office Department is a business institution which is transacting business all over the country and all over the world, with its foreign mail. It makes payments for service by airplanes, railroads, and steamers. It pays several hundred thousand employees. It does many times the annual business the T. V. A. does. The Post Office Department turns into the Treasury every cent it collects, and in turn it receives appropriations from the Congress, and gets along with them. Will the Senator from Alabama distinguish between the Post Office Department and the T. V. A. and tell us why the T. V. A. should be accorded an exemption from certain rules of governmental and legislative business which the Post Office Department has always been able to follow, and now follows?

Mr. HILL. There are many differences, in my opinion, between the Post Office Department and the T. V. A. In the first place, the Post Office Department in many respects is more or less static. It is about the same today as it was 10 or 15 or 20 years ago. It has grown very slowly through the years from the beginning of our country.

The T. V. A. is a great power system which has come into being in only a few years. It has many different business operations. It has many construction projects involving dams, transmission

lines, relocation of roads, and so forth. It has a great fertilizer program. The T. V. A. is operated as it must be operated, as a business corporation. It must be operated as a business corporation, and must have that flexibility in the use of its funds and in the making of its expenditures that a private business corporation has.

In asking flexibility for the T. V. A. we are not asking for something which has not been granted to other Government agencies. A much greater flexibility than has been granted for the T. V. A., or than is asked today for T. V. A., has been granted the Commodity Credit Corporation, the Export-Import Bank, the Home Owners' Loan Corporation, the Reconstruction Finance Corporation, the Federal Deposit Insurance Corporation, the Inland Waterways Corporation, the War Shipping Administration under the Maritime Commission, and other Government corporations. We must bear in mind that when we have a Government corporation which must operate as a private business, that corporation, if it is to be operated on a businesslike and efficient basis must have a certain flexibility with reference to its funds, akin to the flexibility that a private corporation enjoys. If a private corporation needs money it can borrow it from a bank. It can issue bonds, and sell them. Under certain circumstances it can issue new stock to get money. But the Tennessee Valley Authority cannot borrow money. It has only one way of getting money, and that is either from the receipts it takes in, or from money directly appropriated for it out of the Treasury by the Congress.

My distinguished colleague [Mr. BANKHEAD] has called my attention to a telegram which he and I received this morning from the Tennessee Valley, in north Alabama. I read this telegram earlier in my remarks, and I will not read it again, but Mr. Barrett Shelton, the sender of the telegram, speaking for the people of the Tennessee Valley in north Alabama, calls attention to the fact that at the present time the great Goodyear Decatur Mills, which are producing rayon tire fabric, one of the bottlenecks in this war, needs immediately additional power. To get that additional power the T. V. A. must spend something like \$40,000. When the estimates were made for this fiscal year, some 18 months ago, there was no way in the world for any one to visualize that \$40,000 would be needed for additional power to produce rubber for the war effort of the United States.

Earlier in my remarks I read a letter which Mr. Donald Nelson wrote to Harold Smith, Director of the Budget, emphasizing the need for flexibility with reference to the funds of the T. V. A. and emphasizing the fact that the War Production Board would likely have to call upon the T. V. A. for additional power for war production, and stating that if the T. V. A. were to be able to meet these compelling needs for additional power it would have to have the funds with which to meet the needs, with which to install new transformers and

additional units, or to run extra transmission lines which might be required.

Whenever we tie the T. V. A. down to estimates made 18 months ahead of time, we hamstring it. We throttle it. We make impossible its efficient and businesslike operation. As I stated a few minutes ago, we know the delays incident to obtaining appropriations from Congress. We are familiar with the long, continuous route. First an estimate must go to the Budget Bureau for approval. Testimony and evidence must be submitted to the Budget Bureau. Then the request goes to a subcommittee of the House Committee on Appropriations, which holds hearings and takes the testimony of witnesses. Perhaps there are weeks of delay in the subcommittee. Then there is action by the full committee. Perhaps there is further delay before the bill can be considered by the House of Representatives. Then, when the bill is passed by the House, it must go to a subcommittee of the Senate Committee on Appropriations. There may be further delay before the bill can even be taken up for hearings by the subcommittee. There is delay in the subcommittee and delay in the full committee. Then, perhaps, the bill is reported to the Senate. The Senate may be engaged in a long and protracted debate, which is not an unusual situation, when no appropriation bill can be taken up. Therefore there is further delay. So, no matter what may be the good will of the Congress toward the T. V. A., no matter how well the Congress may wish the T. V. A. in its operations, the fact remains that the procedure is such that there is inevitably delay in obtaining appropriations from the Congress.

Earlier in my remarks, when some Senators now present were not in the Chamber, I called attention to the fact that from September 1939, until about March 1941, in that crucial period of our history when it was so necessary to obtain all the power we could, to build all the guns, tanks, ships, and airplanes possible, the T. V. A., because it had the money, was able to increase its power over and above its estimates and its contractual commitments, to the extent of 2,000,000,000 kilowatt-hours.

Mr. President, I do not wish to delay the Senate too long by indulging in a twice-told tale, but I wish to reiterate what I said in the beginning. Under the language carried in the bill as it passed the House, without the proposed amendment, every dollar of the receipts of the Tennessee Valley Authority would go into the Treasury, and not a single dollar would be taken out except through appropriations by the Congress. In the past the Congress has appropriated the receipts at the beginning of the fiscal year, so that as the receipts came in during the fiscal year they were subject to expenditure by the Tennessee Valley Authority. We could have no more perfect illustration of the reason why this committee amendment ought not to be adopted, and why we ought not to put the Tennessee Valley Authority absolutely at the mercy of Congress for every penny it expends than what has happened in connection with this very bill.

Amendments were withdrawn by their author in the subcommittee, because, after they were offered, the Senator from Tennessee [Mr. McKellar], the author, realized that they were not practical and that they could not possibly be justified. Yesterday the Senator from Tennessee, acting chairman of the committee, and author of additional amendments, called his committee together to obtain the consent of the committee to withdraw 16 of the amendments which the committee had reported.

It was brought out in the debate on this floor during 2 preceding days that there would be no way in the world by which to justify the amendments. They would have seriously hamstrung and hampered the operations of the Tennessee Valley Authority. For 9 years the Tennessee Valley Authority has gone forward with a great development under a provision of law identical with that in the bill as it passed the House of Representatives. There is not a single Senator who will rise on this floor and say that the management of the T. V. A., on the whole, has not been efficient, capable, or businesslike. Most of us who know it intimately feel that its management has been magnificent. Why now change it? Why now destroy its flexibility? Why now hamstring and hamper the Tennessee Valley Authority when we know that under the committee amendment an appropriation is asked for which would be at a minimum \$30,000,000 short of what the Tennessee Valley Authority must have in order to meet outstanding obligations, and to carry out the program of operations as approved by the committee itself for the next fiscal year.

Mr. President, a moment ago I spoke of the efficient operation of this great Authority. I think that at this point I should read a telegram which came to me this morning, entirely unsolicited on my part, signed by men who I believe my colleague from Alabama [Mr. Bankhead] will join me in saying are as outstanding and as authoritative as spokesmen as could be found in the Tennessee Valley in the State of Alabama. The telegram reads:

DECATUR, ALA., March 22, 1944.
Senator LISTER HILL,
Washington, D. C.:

We have read what Senator McKellar has said of Chairman Lillenthal. Our dealings with T. V. A. have been satisfactory, pleasant, and in keeping with honest business practice. Lillenthal, in our experience, is an honest, sincere, and faithful public servant. He is directing T. V. A. in the public interest as intended by Congress.

T. R. Harrison, mayor, Decatur, Morgan County; R. H. Richardson, Jr., mayor, Athens, Limestone; Isaac Johnson, probate judge, Moulton, Lawrence; Senator John Benson, Scottsboro, Jackson; A. W. McAllister, mayor, Huntsville, Madison; Dr. E. H. Couch, mayor, Gunterville, Marshall; Dr. J. A. Keller, president, State Teachers College, Florence, Lauderdale; Andrew Johnson, probate judge, Fort Payne, De Kalb; J. L. Andrews, Sheffield, Colbert; A. A. Griffith, circuit judge, Cullman; Edgar Underwood, probate judge, Franklin; Senator Lem Cobb, Center, Cherokee; Julian Harris, circuit judge,

Decatur; Jap Bryant, mayor, Bessemer, Jefferson; A. N. Cameron, mayor, Tarrant City, Jefferson.

Judge Cullman presides over our circuit court, which is the highest nisi prius court, next only to our supreme court, which is our high court of appeals.

Knowing those gentlemen as I do, knowing the positions of responsibility and leadership which they occupy, and knowing that they have all been chosen to their positions by the people themselves, being elected to be public servants in all the counties of Alabama served by the T. V. A., I do not believe it would be possible for Mr. Lillenthal, or his work as Chairman, to receive a finer testimonial than is conveyed in this telegram.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Andrews in the chair). Does the Senator from Alabama yield to the Senator from North Dakota?

Mr. HILL. I yield.

Mr. LANGER. I take it from what the Senator has said that he thinks the amendment is simply put into the bill to hamstring the administration of the T. V. A. Am I correct in my understanding?

Mr. HILL. I think the amendment would very seriously hamstring the administration of the T. V. A. I do not in any way question the motive or the sincerity of the author of the amendment, I may say to the Senator, but it is certain that the amendment would very seriously hamper the operations of the Tennessee Valley Authority. I can see no justification or reason for it. I do not wish to keep going over the subject, but the Comptroller General checks into the management of the T. V. A. We have the Budget Bureau, the committees of Congress and Congress itself, and all of them have proclaimed the efficient, sound, and businesslike management, and when people journey from various parts of the world to the Tennessee Valley Authority because they have heard of what a magnificent job is being done by it, after 9 years of operation of the T. V. A., why should we change it now? Why hamstring it now? The amendment of the committee would hamstring it, because if the appropriation remains as it has been reported by the Senate Committee on Appropriations, it would give the T. V. A. a very minimum of \$30,000,000 less than the record shows the Tennessee Valley Authority will need.

As I said before the Senator came upon the floor, if this amendment shall be adopted and the appropriation shall be carried as recommended by the Senate Committee on Appropriations, either the T. V. A. will have to refuse to meet some \$30,000,000 of outstanding obligations, debts owed to citizens of the United States who are taxpayers, or it will have to cut down, reduce, and impair the program for the next fiscal year which the committee itself has approved, by that minimum of \$30,000,000.

In addition, as I have already said, there is no provision made to take care of any emergency. Suppose there

should be a storm or a great drought in that section, and instead of using the hydroelectric power generated by the T. V. A. it were necessary for the T. V. A. to buy a great deal of coal and employ many persons to operate its steam plants, and materially increase the cost of operation. The cost does not, in the final analysis, fall on the T. V. A., because under the contracts the purchasers pay more when the Authority supplies power from coal, and in that way the T. V. A. gets the money back; but it has to have the money with which to buy the coal and pay the people to operate the steam plants. Suppose there should be a hurricane in that section, or a storm, and a great transmission line were blown down. It would be necessary to have money with which to rebuild and repair the transmission line. More than two and one-half million people served by this great power system have a right, as customers of the system, to have the T. V. A. so fortified and circumstanced financially that they may know that its service will be carried on efficiently, and without interruption.

Mr. LANGER. Mr. President—

Mr. HILL. I yield to the Senator from North Dakota.

Mr. LANGER. I may say for the benefit of the Senator from Alabama that I took a trip to Alabama about a year ago to investigate the T. V. A. I must have talked to perhaps 200 persons. I found that T. V. A. had done a magnificent job, and any time the people of Alabama and the other States affected do not want it they can give it to us in North Dakota. We should certainly like to have it there. I think the Senator is exactly right, and that he is to be commended for the fine job he has done upon this floor in bringing the true facts concerning this splendid institution to the attention not only of the Senate but to the attention of the country. I shall support the Senator in his fight against any amendments which, if adopted, would hamper the effort and work of the T. V. A.

Mr. HILL. Mr. President, I want to express my appreciation to the distinguished Senator from North Dakota and thank him for his words and for his support.

Mr. President, I have in a rather haphazard way said the things which I thought perhaps I might say when I arose to address the Senate. I may add that of all the amendments which were originally recommended by the Senate Committee on Appropriations, this amendment is the worst; it is the most harmful amendment; it will do more to strangle and to paralyze if not to gut the T. V. A. than any of the other amendments. There was no justification for the other amendments, and that is why they have been withdrawn. This amendment should be withdrawn, but, since it is not going to be withdrawn, the Senate of the United States should vote it down.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had severally agreed to the amendment

of the Senate to the following bills of the House:

H. R. 2212. An act for the relief of Clarence Waverly Morgan;

H. R. 2743. An act for the relief of Mrs. Marie Geiler; and

H. R. 3157. An act for the relief of Lloyd L. Johnson and P. B. Hume.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2925) for the relief of Charles J. Goff.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 192) to enable the United States to participate in the work of the United Nations relief and rehabilitation organization.

The message also announced that the House had passed a bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, and it was signed by the Vice President.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. LA FOLLETTE. Mr. President, I realize that the Senate is very anxious to vote on this question, and I am likewise aware of the fact that, in all probability, Senators have determined how they will vote on the amendment, and that I could not hope to affect the result. However, because of my deep conviction that this amendment would constitute a staggering blow to the successful operations of this enterprise, in which upward of \$725,000,000 of the taxpayers' money has been invested, and because of my long interest in the project, I cannot let the vote come upon this amendment without registering some of the reasons for my violent opposition to it.

Mr. President, I hope no Senator will vote in favor of this amendment on the theory that the committee has withdrawn 16 other amendments and that something should be left for the committee to accomplish in its efforts in regard to the T. V. A. But, Mr. President, this is the heart of the series of amendments

which were first presented by the committee; this is the crux of the whole issue, and the adoption of this amendment would do more to prevent a businesslike operation and the rendering of adequate service to the great war industries and to the industrial and commercial and residential consumers of this great river valley, which sweeps across the southeastern portion of the United States, than all the other 16 amendments combined.

Mr. President, as this bill came from the House of Representatives it did not appropriate any new money out of the Treasury for the Tennessee Valley Authority and its operations for the fiscal year 1945. It followed the practice which has been pursued ever since this enterprise was launched. First of all, an estimate was made of the cost of the program for the fiscal year 1945. When that had been ascertained, the receipts for 1945 were estimated; and the amount of the estimate was \$68,528,882.

In addition to that, the unobligated balance which would exist on July 1, 1945, namely, \$19,262,298, was made available for the operations of this giant enterprise during the coming fiscal year.

In my opinion, the committee erroneously confused the unexpended balance and the unobligated balances, and, because of that confusion, the T. V. A. will find itself short \$30,000,000 of a sum sufficient to meet obligations which will become due after the 1st of next July, and it will be forced to take that \$30,000,000 out of this appropriation of \$79,134,182. So, as a result of the attempt of the Senate Appropriations Committee to gaze into the crystal ball and estimate how much this giant enterprise will need for 1945, the T. V. A. will be short \$30,000,000, even on the committee's estimate as to the cost of operations and construction, replacement, repair, and betterment.

But waiving aside for the moment the precarious financial position in which the Authority will find itself on the 1st of July due to this confusion on the part of the Senate Appropriations Committee as between unexpended and unobligated funds, a more serious aspect is that the proposal now pending before the Senate provides that all the receipts for the fiscal year 1945 shall go into the general fund of the Treasury of the United States.

Mr. President, this proposal is analogous to a board of directors of a giant corporation, such as General Motors or the du Pont de Nemours Co., or any great power company in the United States meeting prior to the end of the corporation's fiscal year and deciding, assuming that they had such power, that for the coming fiscal year the president and the management of the corporation could not utilize one penny of the corporation's receipts with which to meet its operating expenses. The board of directors, each member of it being provided with a crystal ball, would go into a trance, look into the crystal ball, and come up with a number which they estimate would represent the operating expenses and the amount needed for bet-

terment, improvement, and replacement which the corporation would have to utilize in the coming fiscal year, and then say to the management, "Now, of course, if you find that our gaze into the crystal ball has not resulted in an accurate figure, if you find that our estimation is out of line, you can come back to us some time when you run into a financial jam, or a plant burns down, or a whole turbine is blown out, or your transmission lines are swept down by a tornado, and let us know, and we will have a meeting later on and appropriate some more money out of the surplus." I submit Mr. President, that if any board of directors could ever take any such action with regard to a corporation, a stockholder should have the right, if he does not possess it under the law, to bring a proceeding to remove the board of directors for being incapable and incompetent to manage the affairs of the corporation; and although I am not a lawyer, I think they should have a right to have them examined by a board of alienists.

Mr. President, every time the Government engages in any kind of enterprise such as the T. V. A., a hue and cry is raised that the Government cannot do business on a businesslike basis. One of the favorite slogans is, "More business in government and less government in business." But here is a bold, naked proposal to adopt a policy so unbusinesslike that any Member of the Senate, if he were a member of the board of directors of a corporation, would be ashamed to propose it if he ever thought of it.

Mr. President, there has never been a dollar of money spent by the Tennessee Valley Authority since it was created that was not specifically authorized by statute. There is no showing that there has ever been any diversion of money for projects or for operations not authorized by law, either in the Tennessee Valley Authority Act as amended or in appropriation acts which have been passed. Yet, in the midst of the most serious war in which any nation has ever been involved, it is now proposed to run the risk that the able and estimable gentlemen on the Committee on Appropriations of the Senate, overworked, every one of them, have been able to guess what is going to happen to a \$725,000,000 corporation during the coming fiscal year.

Mr. BREWSTER. Mr. President—

The PRESIDING OFFICER (Mr. Burton in the chair). Does the Senator from Wisconsin yield to the Senator from Maine?

Mr. LA FOLLETTE. I yield.

Mr. BREWSTER. Do we not have to tell what is going to happen with a hundred-billion-dollar corporation during the coming year?

Mr. LA FOLLETTE. I do not know to what corporation the Senator refers.

Mr. BREWSTER. I refer to the United States Government.

Mr. LA FOLLETTE. I have tried to make it clear, and I think it should be clear, that the Tennessee Valley Authority is not analogous to any operation of the War Department or the Navy Department. This is a great, giant power system, as well as a great construction

corporation. It is selling power, it is selling fertilizer, it has an enormous income. It is estimated that its receipts will be \$68,528,000 in the coming fiscal year.

Mr. BREWSTER. Will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. BREWSTER. Which does the Senator think has had more unexpected and more unanticipated items in the last 2 or 3 years, the corporation of which he speaks, or the United States Government?

Mr. LA FOLLETTE. Of course, I would say that, obviously, the Federal Government as a whole has; but the point I am trying to make is that the War Department is not operating a business. We appropriate billions of dollars for the use of the War Department, and their job is to spend that money in order to carry on the war effort. But here is a great public utility enterprise, and it is proposed that the management of that enterprise shall not have one penny of the huge receipts which it takes in as part of its business operation, but, instead, it must rely on the "guesstimation" of the estimable gentlemen sitting on the Committee on Appropriations. I say there is not a business corporation in the world which could operate on such a basis as is proposed here.

Mr. BREWSTER. Am I correct in understanding that actual appropriation is made in any event?

Mr. LA FOLLETTE. Certainly an appropriation is made.

Mr. BREWSTER. So that the items are ultimately considered, in any event?

Mr. LA FOLLETTE. No; when the bill came to the Senate from the House there was not a dollar of new money appropriated out of the Treasury. All that was done was to make the receipts available, which was to be the bulk of the operating fund, as has been done every year since T. V. A. was created, namely, the \$68,528,000 of which I have spoken; and to take the unobligated balance which would exist on July 1 and make that available.

Mr. BREWSTER. Was that done without any consideration of the necessity or applicability of those revenues?

Mr. LA FOLLETTE. No; of course not. That was done after a most careful estimate, insofar as it is humanly possible to make one, and one can be made so far as certain specific items are concerned. For example, we know now that the cost of completing the Watts Bar steam plant is to be \$532,000. That is an item that can be put down.

Mr. BREWSTER. Does the Senator mean that that determination was made by the Authority, or by the committee?

Mr. LA FOLLETTE. I presume that in the first place the Authority made its estimates, then submitted them to the Bureau of the Budget, and then, through the Bureau of the Budget, they were submitted to the Appropriations Committee of the House of Representatives.

Mr. BREWSTER. So that in the final analysis, the committee did consider and determine the question of the necessity of those expenditures?

Mr. LA FOLLETTE. Certainly; and I stated before that so far as I know not a dollar of money, and no showing has been made here that a single dime of the receipts of the corporation has ever been expended for any purpose except purposes which had been authorized by Congress. That is true, and in addition to that, the accounts of the Authority are audited by the Comptroller General, and the Authority pays \$30,000 a year to one of the outstanding firms of public accountants in the United States to make a corporate audit of its operations. So there has been no showing that there is any justification for assuming that there has been any misappropriation or misuse of the receipts during all the lifetime of this corporation.

I submit to anyone who has ever had any business experience that it is absolutely impossible for the Senate or for the board of directors of a private corporation to sit down in advance of a full year's operations and write a figure which will cover the operations for that year. That is why we never know what dividends may be paid, except as we come to the end of a quarter. Any corporation which was paying its dividends out of earnings, and paying them in advance of the period in which the earnings were being made, would soon be insolvent. Yet that is what is proposed to be done in this case.

Mr. President, I stated before, and I wish to repeat, I feel strongly that every Senator has an absolute right to his opinion as to whether or not this enterprise should have been launched in the first place. I concede the right of Congress—although if I should chance to be here I would oppose it with all the vigor at my command—at any time a majority of both Houses desire to do so, to sell this great public-utility system back into the hands of private ownership. My opinion is, Mr. President, that having invested \$750,000,000 of the taxpayers' money in this enterprise in the first place, and in the second place because it is now the only available source of power in this very important war-producing area, we should not hamstring it by indirection, and that we should not do so by adopting methods and policies which could not successfully be carried out by any private corporation. If it is desired to change the basic policy it should be done when sufficient votes can be obtained to do so. But I plead with the Senate not to take action of an oblique nature, which will hamper and hamstring and prevent the functioning of this great enterprise, and not to force upon it policies which would ruin any corporation in America if it had to live under them.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning in line 9 on page 2 of the committee print.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Eastland	Reed
Andrews	George	Revercomb
Austin	Gerry	Robertson
Bailey	Gillette	Russell
Ball	Hawkes	Shipstead
Bankhead	Hayden	Smith
Barkley	Hill	Stewart
Bone	Holman	Thomas, Idaho
Brewster	Johnson, Colo.	Thomas, Utah
Bridges	La Follette	Tunnell
Buck	Langer	Tydings
Burton	McCarran	Vardenberg
Bushfield	McClellan	Wagner
Butler	McFarland	Walsh, Mass.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Chandler	Maybank	Wherry
Clark, Mo.	Mead	White
Connally	Millikin	Wiley
Danaher	O'Mahoney	Willis
Davis	Overton	Wilson
Downey	Radcliffe	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment beginning in line 9, on page 2.

Mr. AIKEN. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). I have a general pair with the Senator from North Dakota [Mr. NYE]. If the Senator from North Dakota were present, he would vote as I intend to vote. Therefore, I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent attending a funeral.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], and the Senator from Florida [Mr. PEPPER] would vote "nay."

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program. I am advised that if present and voting, the Senator from New Mexico [Mr. HATCH], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] would vote "nay."

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Idaho [Mr. CLARK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent. I

am advised that if present and voting, the Senator from Idaho [Mr. CLARK] would vote "nay."

The Senator from Indiana [Mr. JACKSON] is absent on official business.

I also announce the following pairs: the Senator from New Jersey [Mr. WALSH] with the Senator from New Mexico [Mr. HATCH]; the Senator from Oklahoma [Mr. THOMAS] with the Senator from Indiana [Mr. JACKSON]; the Senator from Pennsylvania [Mr. GUFFEY] with the Senator from Illinois [Mr. BROOKS]; and the Senator from West Virginia [Mr. KILGORE] with the Senator from Louisiana [Mr. ELLENDER]. I am advised that if present and voting, the Senator from New Jersey, the Senator from Oklahoma, the Senator from Illinois, and the Senator from West Virginia would vote "yea," and that the Senator from New Mexico, the Senator from Indiana, the Senator from Pennsylvania, and the Senator from Louisiana would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present he would vote "yea." He is paired on this question with the Senator from Pennsylvania [Mr. GUFFEY], who would vote "nay."

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The result was announced—yeas 39, nays 26, as follows:

YEAS—39

Bailey	Hayden	Robertson
Brewster	Holman	Russell
Bridges	Johnson, Colo.	Smith
Buck	McCarran	Thomas, Idaho
Bushfield	McClellan	Tydings
Byrd	McFarland	Vandenberg
Clark, Mo.	McKellar	Walsh, Mass.
Connally	Maloney	Weeks
Eastland	Maybank	Wherry
George	Millikin	White
Gerry	Overton	Wiley
Gillette	Reed	Willis
Hawkes	Revercomb	Wilson

NAYS—26

Aiken	Capper	O'Mahoney
Andrews	Chandler	Radcliffe
Austin	Danaher	Shipstead
Ball	Davis	Stewart
Bankhead	Downey	Thomas, Utah
Barkley	Hill	Tunnell
Bone	La Follette	Wagner
Burton	Langer	Wheeler
Butler	Mead	

NOT VOTING—31

Bilbo	Gurney	Pepper
Brooks	Hatch	Reynolds
Caraway	Jackson	Scrugham
Chavez	Johnson, Calif.	Taft
Clark, Idaho	Kilgore	Thomas, Okla.
Cordon	Lucas	Tobey
Ellender	Moore	Truman
Ferguson	Murdock	Wallgren
Glass	Murray	Walsh, N. J.
Green	Nye	
Guffey	O'Daniel	

So the amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The CHIEF CLERK. On page 56, line 18—

Mr. LA FOLLETTE. Mr. President—

Mr. BARKLEY. Mr. President, there is a second amendment in the committee print which has not been disposed of.

The VICE PRESIDENT. The clerk will state the second amendment in the committee print.

The CHIEF CLERK. On page 2 of the committee print, line 15, after the word "and" it is proposed to insert "all."

The amendment was agreed to.

Mr. BARKLEY. Mr. President, in view of the fact that that amendment is hooked in with the one in lines 18 and 19, and also all the amendment in italics, and the striking out of lines 19 to 24, together with the inclusion of new language in lines 24 and 25 in the committee print, and in view of the fact that they are all linked together, I suggest that we vote on those amendments en bloc.

Mr. McKELLAR. They have already been voted on en bloc.

Mr. BARKLEY. I did not so understand.

Mr. McKELLAR. The then occupant of the chair held that they were all one amendment. As I understand, the clerk read them all.

The VICE PRESIDENT. The Senator from Tennessee is misinformed on that particular point.

Mr. BARKLEY. All these amendments involve the same question, and I think we might as well vote on them together.

Mr. McKELLAR. Very well.

The VICE PRESIDENT. Is there objection to voting on the amendments en bloc? The Chair hears none.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, before the roll call begins, I should like to say to Senators that I hope—and I am sure I speak for the Senator from Tennessee [Mr. McKELLAR]—that we may dispose of this bill with as little delay as possible. It is desirable that we dispose of it, if possible, in time to take up the bill reported from the Finance Committee known as the "G. I. Bill of Rights." It is desirable that we recess until next Tuesday.

I might say for the benefit of Senators that the suggestion has been made by the Speaker of the House that beginning next Thursday, March 30, the Senate and House take a formal recess until the 12th of April. It is very necessary that the bill known as the "G. I. Bill of Rights" be passed by the Senate before any recess is taken. For that reason I hope Senators will facilitate the prompt disposition of the pending bill and all the amendments without unnecessary delay or debate.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. It is not only necessary that the bill be passed by the Senate but that we give sufficient opportunity for the House to act on it.

Mr. BARKLEY. That is what I meant to say.

Mr. MALONEY. Mr. President, I wish to be sure that I understood correctly. Did the majority leader say something about a recess beginning next Thursday?

Mr. BARKLEY. That is the proposal.

Mr. MALONEY. That is from the 30th of March.

Mr. BARKLEY. From the 30th of March to the 12th of April.

If I may supplement what I stated a moment ago, I hope the Senate will be willing, if necessary, to sit a little later tonight in order to accomplish this legislative program if possible.

Mr. CHANDLER. Mr. President, may the pending amendment be stated?

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 15, of the committee print, after the word "and", it is proposed to insert "all"; in line 17, after the numerals "1945", it is proposed to strike out "(subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended)" and insert "and subsequent fiscal years"; in line 19, after the word "covered", it is proposed to insert "quarterly"; and in the same line, after the word "into" it is proposed to strike out "and accounted for as one fund to be known as the Tennessee Valley Authority Fund, 1945, to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1944"; and insert "the general fund of the Treasury of the United States."

The VICE PRESIDENT. Without objection, the amendments will be voted upon en bloc. On this question the yeas and nays have been ordered and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). Making the same announcement as I made previously, I shall vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent, attending a funeral.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], and the Senator from Florida [Mr. PEPPER] would vote "nay."

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program. I am advised

that if present and voting, the Senator from New Mexico [Mr. HATCH], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] would vote "nay."

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Idaho [Mr. CLARK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent. I am advised that if present and voting, the Senator from Idaho [Mr. CLARK] would vote "nay."

The Senator from Indiana [Mr. JACKSON] is absent on official business.

I also announce the following pairs: The Senator from New Jersey [Mr. WALSH] with the Senator from New Mexico [Mr. HATCH]; the Senator from Oklahoma [Mr. THOMAS] with the Senator from Indiana [Mr. JACKSON]; the Senator from Pennsylvania [Mr. GUFFEY] with the Senator from Illinois [Mr. BROOKS]; and the Senator from West Virginia [Mr. KILGORE] with the Senator from Louisiana [Mr. ELLENDER]. I am advised that, if present and voting, the Senator from New Jersey, the Senator from Oklahoma, the Senator from Illinois, and the Senator from West Virginia would vote "yea," and that the Senator from New Mexico, the Senator from Indiana, the Senator from Pennsylvania, and the Senator from Louisiana would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present, he would vote "yea." He is paired on this question with the Senator from Pennsylvania [Mr. GUFFEY], who would vote "nay."

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The result was announced—yeas 38, nays 26, as follows:

YEAS—38

Bailey	Hayden	Russell
Brewster	Holman	Smith
Bridges	Johnson, Colo.	Thomas, Idaho
Buck	McCarran	Tydings
Bushfield	McClellan	Vandenberg
Byrd	McFarland	Walsh, Mass.
Clark, Mo.	McKellar	Weeks
Connally	Maloney	Wherry
Eastland	Maybank	White
George	Millikin	Wiley
Gerry	Reed	Willis
Gillette	Revercomb	Wilson
Hawkes	Robertson	

NAYS—26

Aiken	Capper	O'Mahoney
Andrews	Chandler	Radcliffe
Austin	Danaher	Shipstead
Ball	Davis	Stewart
Bankhead	Downey	Thomas, Utah
Barkley	Hill	Tunnell
Bone	La Follette	Wagner
Burton	Langer	Wheeler
Butler	Mead	

NOT VOTING—32

Bilbo	Gurney	Overton
Brooks	Hatch	Pepper
Caraway	Jackson	Reynolds
Chavez	Johnson, Calif.	Scrugham
Clark, Idaho	Kilgore	Taft
Cordon	Lucas	Thomas, Okla.
Ellender	Moore	Tobey
Ferguson	Murdock	Truman
Glass	Murray	Wallgren
Green	Nye	Walsh, N. J.
Guffey	O'Daniel	

So the amendments were agreed to.

Mr. McKELLAR. Mr. President, I move that the vote by which the amendments were agreed to be reconsidered.

Mr. TYDINGS. I move to lay on the table the motion of the Senator from Tennessee.

The motion to lay on the table was agreed to.

ACCEPTANCE OF GIFTS AND BEQUESTS FOR THE NAVAL ACADEMY

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1640) to authorize the Secretary of the Navy to accept gifts and bequests for the United States Naval Academy, and for other purposes, which was, on page 2, to strike out lines 6 to 8, inclusive, and insert:

SEC. 3. For the purpose of Federal income, estate and gift taxes, gifts and bequests accepted by the Secretary of the Navy under authority of this act shall be deemed to be a gift or bequest to or for the use of the United States.

Mr. WALSH of Massachusetts. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF THE ACT OF MARCH 2, 1895

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1647) to amend the act approved March 2, 1895, as amended, which was, in line 3 to strike out all after "following:" down to and including "Guard." and insert: "officers and employees of other civilian agencies of the United States and bonded officers and enlisted men of the Army, Navy, Marine Corps, and Coast Guard."

Mr. WALSH of Massachusetts. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 2212. An act for the relief of Clarence Waverly Morgan;

H. R. 2743. An act for the relief of Mrs. Marie Geiler;

H. R. 2925. An act for the relief of Charles J. Goff, as administrator of the estate of Judson E. Goff, deceased;

H. R. 3157. An act for the relief of Lloyd L. Johnson and P. B. Hume; and

H. J. Res. 192. Joint resolution to enable the United States to participate in the work of the United Nations relief and rehabilitation organization.

EXECUTIVE AND INDEPENDENT OFFICES
APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER. The next amendment of the committee beginning on page 56 will be stated.

The next amendment was, under the heading "United States Maritime Commission," on page 56, line 18, after the word "exceed", to strike out "\$30,000,000" and insert "\$39,933,725"; and on page 57, line 1, after the word "services" and the semicolon, to strike out "purchase (not to exceed \$16,275)."

The amendment was agreed to.

The next amendment was, under the heading "Veterans' Administration," on page 58, line 1, after the word "administering", to strike out "\$164,000,000" and insert "\$163,977,740, of which \$44,940 shall be available for salaries and expenses of the Federal Board of Hospitalization"; and in line 18, after the word "including", to strike out "purchase."

The amendment was agreed to.

The next amendment was, on page 64, line 1, after the name "Veterans' Administration", to strike out "\$1,259,310,500" and insert "\$1,259,288,240."

The amendment was agreed to.

The next amendment was, under the heading "Title II—General provisions," on page 68, line 10, after the word "vehicle", to insert "(1)"; in line 18, after the word "concerned", to insert a semicolon and "(2) unless there shall be painted in white letters not less than 2 inches high on both sides of each motor vehicle and trailer owned or leased by the United States Government the words 'On official business,' and (3) unless there shall also be displayed at all times in a conspicuous place a sign designating the particular department, independent establishment, or other Federal agency which operates said vehicle. Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office, and shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than 1 year, or both"; and on page 69, line 12, after the word "officials", to insert "and clauses (2) and (3) shall not apply to motor vehicles operated by the Federal Bureau of Investigation and the Immigration and Naturalization Service of the Department of Justice and the Secret Service of the Treasury Department."

The amendment was agreed to.

The next amendment was, on page 73, after line 8, to strike out:

Sec. 210. No part of any appropriation for the fiscal year 1945 contained in this or any other act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has

voted not to approve of the nomination of said person.

And in lieu thereof to insert the following:

Sec. 210. No part of any appropriation available for the executive departments and independent establishments (including any agency the majority of the stock of which is owned by the Government of the United States) for the fiscal year 1945 or any subsequent fiscal year contained in this or any other act shall be (1) paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person, or (2) available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall be appointed by the President, by and with the advice and consent of the Senate.

The amendment was agreed to.

The next amendment was, on page 74, after line 18, to insert the following new section:

Sec. 213. No part of any appropriation or fund made available by this or any other act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality established by Executive order after such agency or instrumentality has been in existence for more than 1 year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions.

Mr. BALL. Mr. President, in the pending amendment on page 74, after line 18, I move to amend by inserting after "Sec. 213" and the period, in line 19, the words "After July 1, 1944."

I believe it to be the intent of the sponsor of the amendment, the Senator from Georgia [Mr. RUSSELL] that it shall not apply until July 1, 1944, but I am not certain in my own mind that it might not become effective immediately after the enactment of the measure, and I think the President should have an opportunity to present Budget estimates for these agencies.

Mr. WHITE. Mr. President, may the amendment be stated?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 74, line 19, after "Sec. 213", it is proposed to insert "After July 1, 1944", so as to read:

Sec. 213. After July 1, 1944, no part of any appropriation or fund made available by this or any other act shall be allotted or made

available to, or used to pay the expenses of, any agency"—

And so forth.

Mr. RUSSELL. Mr. President, the purpose of the committee amendment, which is apparent from a reading thereof, is to retain in the Congress the power of legislating and creating bureaus and departments of the Government, and of giving to Congress the right to know what the bureaus and departments of the Government, which have been created by Executive order, are doing.

Under the provisions of the amendment no bureau, agency, or instrumentality of the Government which has been in existence for a longer period than 12 months, shall have any funds allotted to it for its maintenance which are appropriated for any other purpose whatsoever. I realize, Mr. President, that in time of war, emergencies may arise which might dictate that the executive branch of the Government should immediately create some agency to deal with an immediate difficulty, but certainly there is no excuse for the continuance of an agency which has been in existence for longer than 12 months, for which the Congress has not appropriated, or for which the Congress has had any opportunity to appropriate. This amendment follows the provision which was inserted in the appropriation bill for the current year, and which denied funds to any agency when a budget estimate had been submitted to the Congress, and Congress had refused to appropriate for that purpose.

Secondly, Mr. President, no agency which has power to issue orders affecting the lives and business of the American people should stay in existence for more than 12 months unless the Congress has passed upon an appropriation for such agency. I have made an effort to ascertain the number of agencies which would be affected by this provision. According to a report which was filed by the Bureau of the Budget in response to a request which I made of the director of that agency, about 13 agencies would be affected. The Senator from Virginia [Mr. BYRD] very kindly furnished me with a list of agencies which had been compiled by the committee of which he is chairman, and according to that list approximately 17 or 18 such agencies would be affected.

From the Legislative Reference Bureau I secured another list which shows that still other agencies would be involved.

Regardless of what agencies might be affected, the purpose of this amendment is to require them all to come to Congress for their appropriations after they have been in existence for more than a year.

I do not believe, Mr. President, that any lengthy discussion of this amendment is necessary. Its purpose is clear. Certainly those who have been complaining about bureaucrats and bureaucracy in this country, and who have heretofore complained because the Congress had not created or passed upon such agencies, should support this amendment and thereby give Congress the right at least

to keep advised as to what all the different agencies of the Government are doing.

I understood that the purpose of the amendment offered by the Senator from Minnesota is to insure that this provision shall not take effect until the first of July of this year. Of course, I should like to see the agencies to which I have referred be compelled to come before Congress immediately, but my understanding is that the amendment of the Senator from Minnesota would not be necessary because it is an amendment to an appropriation bill which would not take effect until the 1st day of July, 1944. I have no particular objection to the amendment but I do not think it is at all necessary.

Mr. BALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BALL. It seems to me that section 213 of the legislative provision might be interpreted as taking effect immediately. In order to remove any doubt, I think we ought to give the agencies time to come to Congress to ask for funds. My amendment would give them until July 1.

Mr. RUSSELL. I have no objection particularly to the amendment. I apprehend that it may cause some of the agencies to come to Congress for deficiency appropriations, but I would not make any particular point on the amendment offered by the Senator. He is a member of the Appropriations Committee, and, if he thinks the provision is wise, I shall not object to the amendment.

Mr. BALL. It seems to me to be only fair to give the agencies time to present their cases to the proper committees. I am entirely in favor of the amendment of the Senator from Georgia.

Mr. RUSSELL. I am not impressed with the argument as to an opportunity to come to Congress for funds because some of them have been in existence 2 or 3 years and have had ample time to come before Congress and ask for funds.

Mr. BARKLEY. May I ask the Senator where his amendment comes in and what it does.

Mr. BALL. The amendment proposes to insert before the word "No" in line 19, the words "After July 1, 1944," which would give them to the end of this fiscal year to come to Congress for funds.

SEVERAL SENATORS. Vote!

Mr. BUTLER. Mr. President, I have an amendment to the committee amendment which I desire to propose. I send it to the desk and ask that the clerk read it.

The PRESIDING OFFICER. The amendment of the Senator from Nebraska is not in order at the moment. There is an amendment to the amendment pending. The question now is on the amendment offered by the Senator from Minnesota [Mr. BALL] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The amendment of the Senator from Nebraska is now in order.

Mr. BUTLER. I offer the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 75, line 1, before the period, it is proposed to insert a semicolon and the following:

nor shall any of the funds or personnel made available by this or any other act to any specific governmental department or agency thereof be allotted or assigned to any other governmental agency or department to permit it to engage in any activity for which funds have not been granted to it directly, unless such allotment or assignment is expressly so authorized in the Appropriation Act.

Mr. BUTLER. Mr. President, I only have a very few words to say in reference to the proposed amendment.

In my opinion, the amendment would make a little bit tighter the provisions of the amendment proposed by the Senator from Georgia. To illustrate exactly what I am aiming at, I should like to refer Senators to an insertion in the CONGRESSIONAL RECORD under date of March 6 by Representative FLOESER, of Missouri, covering a memorandum given him by the famous writer, John T. Flynn.

Some programs are being attempted by various departments or agencies that, if successful, would make over the entire American society—our entire economic system. When they are stopped in one place they break out in another.

The memorandum given Representative FLOESER, of Missouri, by John T. Flynn, covers the details of just such an incident in the United States Office of Education. I quote from it, as follows:

Last summer * * * an Austrian was brought into the Office of Education by its head, Commissioner Studebaker, and, without any official status whatever given the run of the place and complete access to its files. In a few weeks he emerged with a 32-page report severely criticizing the department of comparative education in the Commissioner's office and ending with a proposal for a department of international education, which, of course, is the idea he had in mind before he began his "Investigation."

I believe that by the amendment I have proposed the committee amendment would be improved to a considerable extent.

Mr. RUSSELL. Mr. President, I hope the Senator from Nebraska will not press his amendment. It deals with an entirely different question from the subject matter of the pending amendment. The pending amendment is designed for one purpose, and that is to prevent the executive department of the Government from legislating by creating agencies, by Executive order. The amendment proposed by the Senator from Nebraska would prevent any flexibility whatever in the transfer of personnel from one department or agency of the Government to another. Under normal conditions, I should be disposed to support the amendment proposed by my friend from Nebraska but in this time of war and stress it might be possible and desirable for the Navy Department to lend the War Department certain personnel or for the War Department to lend the War Production Board certain personnel; and the amendment of the Senator from Nebraska would have the effect of defeating such transfers of personnel.

Under ordinary circumstances, the proposition is sound, but I wish to point out that the amendment proposed by the

Senator would also affect the Congress of the United States. We have personnel now who have been loaned to various committees of the Congress by some of the agencies of the Government for which appropriations have been made. We have already passed two or three of the appropriation bills. The Treasury Department bill has already been enacted; the Post Office Department appropriation bill has already been enacted; and the Senate is on the eve of adopting the appropriation bill that relates to all the independent agencies of the Government, and we have not therein provided any elasticity, even to the extent of 1 percent, in the personnel that might be transferred.

In the abstract, I favor the proposition of the Senator, but I hope he will not press it as an amendment to this provision which deals with a different question altogether, and prevents the creation of agencies by any authority other than the Congress. The amendment proposed by the Senator deals with transfers of personnel from one agency already created by the Congress to another agency already created by the Congress. It relates to an entirely different proposition, and I hope my friend will not press his amendment.

Mr. BUTLER. Mr. President, it is not my intention to press the matter unduly at all, but I should like to ask the distinguished Senator from Georgia, inasmuch as he seems to agree with the idea in a general way, if he can suggest a more opportune time for enacting such a provision?

Mr. RUSSELL. I should like to have the Senator at least offer it as an independent proposal, and not inject an entirely new proposition into the heart and body of my amendment, which has only one purpose and which submits only one issue to Congress. If the Senator will offer it as an independent proposition I shall certainly be the last Member of this body to object to it; but we will have to go to conference on this amendment, and I should not like to have to carry two issues, including this collateral issue, to the House and the conference.

Mr. BUTLER. In view of the statement of the distinguished Senator from Georgia, I withdraw the amendment.

Mr. RUSSELL. I certainly thank my friend from Nebraska.

Mr. BUCK. Mr. President, I have an amendment I should like to submit. I ask that the clerk read it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 74, line 24, after the word "year", it is proposed to insert "except the Fair Employment Practice Committee."

Mr. BUCK. Mr. President, the purpose of the amendment is self-evident. It would retain the agency to which it refers which under the Senate committee amendment would be done away with. The colored folks are citizens of the country, and are particularly interested in retaining this agency. It is one that prevents and eliminates racial discrimination in war plants. There are nearly a million colored boys in the armed forces and more than 3,000,000

colored persons in the war plants of the country. I hope that this agency may be retained and that the amendment will be adopted.

Mr. RUSSELL. Mr. President, in the interest of consistency, I would probably have to—

Mr. CLARK of Missouri. Mr. President, before the Senator starts on consistency will he permit me to ask him a question?

Mr. RUSSELL. I am glad to yield.

Mr. CLARK of Missouri. Is it not a fact that the F. E. P. C. has been removed from the purview of the committee amendment by the President sending in a Budget recommendation for it, thus taking it out of the provisions of the amendment?

Mr. RUSSELL. It would not be if Congress refused to appropriate. A Budget estimate has been submitted and the House Appropriations Committee has been conducting hearings on it.

Mr. CLARK of Missouri. A Budget estimate has been held, under the rules of the Senate, to be an authorization, to all intents and purposes.

Mr. RUSSELL. Undoubtedly, there is authority to provide for the agency in the bill, yes.

Mr. CLARK of Missouri. Then it has been removed from the purview of the amendment.

Mr. RUSSELL. No; because the pending amendment says if Congress has not made appropriations for an agency it shall cease to function. But I am rather astonished, Mr. President, that the distinguished Senator from Delaware, a member of a party that has been complaining a great deal about bureaucracy, about the issuance of orders which affect the people, about bureaucratic agencies of the executive department exercising too great powers, and about the executive department usurping the powers of Congress, should come here and seek exemption for any agency of the Government that depended for its life and for its existence solely upon the action of the President of the United States.

Of course, everyone has his pet agencies, everyone has departments which he wants preserved, and if we start action like that proposed, if we are to say that the President of the United States can legislate by Executive order when we favor the objective which he is seeking, we should say that we favor the President of the United States taking to himself the power that is vested by the Constitution in the Congress of the United States, and legislating and creating departments of government which issue orders that bring the people of the United States before them, and pass orders which direct people how they shall proceed in their daily business.

The amendment proposed by the committee should stand or fall as an entire proposition. There is no reason on earth for exempting any agency, and if we start exempting any of them, we might as well defeat the entire amendment.

As the Senator from Missouri has stated, the President of the United States has moved to eliminate this Fair Employment Practice Committee from the

operation of the committee amendment. Three days after this amendment was approved by the full Committee on Appropriations he sent a Budget estimate to the House of Representatives, and hearings have already been held before the House committee which is dealing with the war agencies bill to determine whether or not the Congress shall appropriate funds for this Committee.

We should not undertake in this shotgun fashion to pass upon the merits of appropriations. Of course, I could go into the merits of the Committee the Senator from Delaware seeks to save and preserve but I shall not discuss it at length. In the information that was furnished the Committee on Appropriations by the Bureau of the Budget, it developed that this Committee has around a hundred employees, and that the average compensation of those employees was around \$3,500 per annum. The average compensation of \$3,500 paid employees of this Committee compares with an average of around \$1,700 paid all civil-service employees, and around \$2,000 for all the employees of the Government of every kind, class, and category. So certainly, of all the agencies which should be dealt with in separate items of appropriations, the one which the Senator from Delaware seeks to preserve stands in the very forefront.

We should not here undertake to differentiate if we are dealing with a matter of policy. We either should stand or fall on this proposition as one requiring the executive department to submit these legislative questions to the Congress, or we should forever hold our peace, and not complain against executive agencies which have been created without the knowledge or consent of the Congress of the United States.

The amendment already agreed to, which was offered by the Senator from Minnesota, has allowed until the first of the fiscal year before the pending committee amendment shall be in operation, and I see no reason why we should undertake to exempt any one of the various agencies which have been created by Executive order. All should stand or fall together.

Mr. BUCK. Mr. President, there is a difference of opinion between the distinguished Senator from Georgia and myself on this question. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware to the amendment of the committee.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bone	Byrd
Andrews	Brewster	Capper
Austin	Bridges	Chandler
Bailey	Buck	Clark, Mo.
Ball	Burton	Connally
Bankhead	Bushfield	Danaher
Barkley	Butler	Davis

Downey	McFarland	Thomas, Idaho
Eastland	McKellar	Thomas, Utah
Ferguson	Maloney	Tunnell
George	Maybank	Tydings
Gerry	Millikin	Vandenberg
Gillette	O'Mahoney	Wagner
Hawkes	Overton	Walsh, Mass.
Hayden	Radcliffe	Weeks
Hill	Reed	Wheeler
Holman	Revercomb	Wherry
Johnson, Colo.	Robertson	White
La Follette	Russell	Wiley
Langer	Shipstead	Willis
McCarran	Smith	Wilson
McClellan	Stewart	

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, a quorum is present.

Mr. BUCK. I ask for the yeas and nays on the amendment.

Mr. RUSSELL. I understood the Chair had ruled that not a sufficient number had seconded the demand for the yeas and nays.

The PRESIDING OFFICER. A quorum call has ensued since the ruling.

Mr. RUSSELL. Does the Chair rule that a request for the yeas and nays may be made a number of times?

The PRESIDING OFFICER. It has been the practice, the Chair is advised, that the request may thus be made.

The question is on agreeing to the amendment of the Senator from Delaware [Mr. BUCK] to the amendment of the committee. The yeas and nays are demanded. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. MCCARRAN. Mr. President, may the amendment be stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 74, line 24, after the word "year", it is proposed to insert "except the Fair Employment Practice Committee."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. NYE]. Not knowing how he would vote if present, I withhold my vote.

Mr. MAYBANK (when his name was called). On this amendment to the appropriation bill I have a pair with the junior Senator from New York [Mr. MEAD], who is also a member of the Committee on Appropriations. If I were at liberty to vote I would vote "nay" on the amendment. I supported the Russell amendment in the committee. If the junior Senator from New York were at liberty to vote he would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent attending a funeral. I am advised that if present and voting, he would vote "yea."

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are

absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Washington [Mr. BONEL] is detained in a committee meeting.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that, if present and voting, the Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], and the Senator from Louisiana [Mr. ELLENDER] would vote "nay," and that the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Illinois [Mr. LUCAS] would vote "yea."

The Senator from Montana [Mr. WHEELER] is detained in one of the Government departments on matters pertaining to the State of Montana.

The Senator from Idaho [Mr. CLARK], the Senator from New York [Mr. MEAD], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Indiana [Mr. JACKSON] is absent on official business. I am advised that, if present and voting, he would vote "yea."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present, he would vote "yea."

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee. If present, he would vote "yea."

The result was announced—yeas 37, nays 21, as follows:

YEAS—37

Alken	Hawkes	Thomas, Utah
Austin	Holman	Tunnell
Ball	Johnson, Colo.	Tydings
Barkley	La Follette	Vandenberg
Brewster	Langer	Wagner
Bridges	McCarran	Weeks
Buck	McFarland	Wherry
Burton	Maloney	White
Butler	O'Mahoney	Wiley
Capper	Radcliffe	Willis
Danaher	Robertson	Wilson
Davis	Shipstead	
Downey	Thomas, Idaho	

NAYS—21

Andrews	Eastland	Millikin
Bailey	George	Overton
Bankhead	Gerry	Reed
Byrd	Gillette	Russell
Chandler	Hill	Smith
Clark, Mo.	McClellan	Stewart
Connally	McKellar	Walsh, Mass.

NOT VOTING—38

Bilbo	Gurney	O'Daniel
Bone	Hatch	Pepper
Brooks	Hayden	Revercomb
Bushfield	Jackson	Reynolds
Caraway	Johnson, Calif.	Scrugham
Chavez	Kilgore	Taft
Clark, Idaho	Lucas	Thomas, Okla.
Cordon	Maybank	Tobey
Ellender	Mead	Truman
Ferguson	Moore	Wallgren
Glass	Murdock	Walsh, N. J.
Green	Murray	Wheeler
Guffey	Nye	

So Mr. Buck's amendment to the amendment of the committee was agreed to.

Mr. TYDINGS subsequently said: Mr. President, so far as I know, no one has written me either for or against this amendment. I am heartily in favor of the Russell amendment providing that bureaus shall not be created by Executive fiat. Therefore I shall support the Russell amendment. I was detained in my office, and when I came on the floor I did not understand the purport of the proposal then pending before the Senate. Had I known what the purport of it was, as a matter of principle, and regardless of the merits of this particular institution, I should have voted "nay" and I am a candidate for reelection in that State where all the colored people who wish to vote may do so.

Therefore, Mr. President, I ask unanimous consent that my vote of "yea" be changed to "nay." It will not affect the result, but I am particular about keeping my position with regard to Executive-inspired bureaucracy consistent.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

The question now is on agreeing to the committee amendment, beginning in line 19, on page 74, as amended.

Mr. RUSSELL. Mr. President, I hope that the American people will take due note of the action just taken by the Senate. They will observe that many Senators who have gone up and down the country protesting and inveighing against bureaucracy and denouncing the usurpation of the constitutional powers of the Congress by the executive branch of the Government have proven that they did not mean what they said by voting to sustain the right and power of the Executive to create agencies of Government by fiat and proclamation. It is amazing to see Senators who have been the loudest in protesting that the executive department was taking over the powers and functions of this body to the discredit of Congress now voting against the way they have talked for so long by declaring themselves in favor of executive agencies. It is an amazing abandonment of principle. In this case principle means nothing. But the desire to appeal to certain groups of voters seems to mean everything.

So far as I am concerned, Mr. President, if the Senate is to make fish of one agency and fowl of another, if I, as the author of this amendment in committee, have the right, I should like to withdraw it. Do I have the right or power to withdraw the amendment?

The VICE PRESIDENT. The Chair is informed that the Senator does not have

that right after an amendment to it has been adopted.

Mr. RUSSELL. I then ask unanimous consent, Mr. President, to withdraw the amendment.

Mr. LANGER. I object.

Mr. RUSSELL. I wish to say, Mr. President, that before I should be a party to any such proceeding as this, that I am now placed in the position where I shall vote against my own amendment. If the amendment shall be so distorted, and if those who have heretofore been most insistent in inveighing against executive action shall undertake to approve executive action in creating agencies of Government, I shall vote against the entire proposal.

Mr. GEORGE. Mr. President, I wish to add a few words to what has been said about the amendment. Not only are those Senators who claim to be opposed to bureaucracy in a wholly inconsistent position, but the one agency which has been excepted here has no legal status whatsoever. It has no foundation on which to stand. It is purportedly based upon the Second War Powers Act, but there is not a line or a syllable or any mark of punctuation in the Second War Powers Act which is authority for it, which authorizes the creation of the single agency which is retained by the amendment to the committee amendment just agreed to. This agency has no power to enforce its orders. Its orders are already challenged, and they will be consistently challenged, and unquestionably they will be upset. I doubt if there is anyone, even in the Department of Justice, who believes that this agency has any legal foundation in fact.

Some Senators have pledged to their people that they would recapture the powers of the Congress and revest in the Congress the power to legislate. Some Senators will be heard making a loud noise in November in repetition and repeated repetition of that particular program and of that declaration. Here is the acid test. Here is the proposal that agencies created by Executive order and which have been in existence for more than a year, and which have received no congressional approval, should no longer receive part of the public money appropriated under this measure. That is all.

Senators have selected the one agency whose single order in any important matter stands stopped almost by the confession of the Department of Justice that the agency has no legal status.

So far as I am concerned, I have said to my people, and I repeat it now, that when this war ends, and long before it ends, I shall vote to restore to the American Congress or to the American people every power which should be rightfully exercised by the American Congress or the people. I meant that. I do not challenge the sincerity of any other Member of this body. But if I had had any part in permitting the existence of a single agency in the Government, created under Executive order, and which for more than a year has stood without even congressional approval by the making of a single appropriation for its support, I could not justify the position I expect to take, and which I ex-

pect to take consistently, with my own people. I am up for election this year. But I am going to face my people on one issue, at least, and that is that every power which was not intended to be granted by the Congress, although there may be a technical foundation for its exercise, should be restored to the people themselves.

Human liberty cannot exist in any democratic country anywhere, any time, when the people fall under the rule of bureaucracies created by Executive order. Where is there in America a lawyer of any responsibility who will assert that the single agency which Senators have excepted from the operations of the amendment stands upon any legal foundation whatsoever?

Mr. CLARK of Missouri. Mr. President, I rise in defense of my colleagues on the other side of the aisle who voted for the last amendment which was adopted, because they had reason to do so. The amendment offered by the Senator from Delaware [Mr. Buck] was the brain child of a man by the name of Edgar Brown, who held a very good job under the Democratic administration for 5 or 6 years. When he was finally separated from the public pay roll, he used the appointment of Mr. Justice Byrnes as Stabilization Director as an excuse for announcing his departure from the Democratic fold, although he did not deny that the Roosevelt administration had done more in many ways for the preservation of the rights of colored people and the upbuilding of their morale than had any other administration or any combination of administrations in the history of the country.

Recently I read in a Missouri newspaper an article by Edgar Brown in which he stated that, irrespective of what the President might have done or irrespective of the record of any Senator or Member of the House of Representatives, everyone who was nominated on the Democratic ticket, from the President down to constable, should be defeated. It is easy to understand the pull of a persuasion like that on some of our colleagues on the other side of the aisle. I saw Mr. Brown outside the Senate Chamber the other night, as I was getting on the elevator. He rushed up to me, and said that the provisions which were later incorporated in the Buck amendment should be included in the bill. I said to him, "As a matter of fact, has not the question of the F. E. P. C. been taken out of the controversy as to executive agencies without any authority of Congress, by the action of the President in sending up a Budget estimate for it?" I recall that the Senator from Indiana [Mr. Willis] happened to be with me at the moment, and I am sure he will verify my statement of the conversation. I said to Brown, "Has not the action of the President in sending up a Budget estimate for the F. E. P. C. taken it out of the controversy as to executive agencies without any congressional authority?" I personally was in favor of the maintenance of the F. E. P. C.; I would have voted for this amendment, with great reluctance, if the F. E. P. C. had been included in it. But Brown

rushed up to me and said, "We have got to have this amendment," the amendment specifically exempting the F. E. P. C. I said, "Why do you say that? The President himself has removed the F. E. P. C. from the operation of the amendment by sending up a Budget estimate." Brown said, "Well, because we want it."

About that time the Senator from Indiana [Mr. Willis] came along. Brown repeated that to him.

Mr. President, by agreeing to the amendment I do not think the Senate of the United States puts itself in a very good position on a great constitutional question, when the President of the United States has shown his disposition to remove this agency from the controversy by sending in a Budget estimate for it. The effect of agreeing to the amendment is to have the Senate act in accordance with the whim of a lobbyist, who would thus control the action of the Senate of the United States. So far as I am concerned, I intend to join the Senator from Georgia in voting against the amendment as amended.

Mr. BUCK. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Delaware.

Mr. BUCK. The Senator is exactly correct, in that this man Brown approached me, as I think he did other Senators. Let me say that many of my constituents in Delaware are very much interested in this matter. It is largely at their request that I was persuaded to present the amendment.

Mr. CLARK of Missouri. Mr. President, let me say to the Senator from Delaware that I meant no reflection whatever on him. So far as I am concerned, I am in favor of the maintenance of the F. E. P. C. As I have said, I might have voted against the Russell amendment against the action of the President of the United States. But I say that when the President of the United States has, by sending in a Budget estimate, acted in accordance with the effect of the Russell amendment, for the Senate of the United States finally to yield to the whim of a lobbyist like this man Brown is a disgraceful thing.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. WILLIS. I desire to confirm everything the Senator from Missouri has said. Mr. Brown said, "This is the heart of everything the colored people want."

But I desire to announce that that had no effect on my consideration of the amendment.

Mr. CLARK of Missouri. I will say that the Senator from Indiana gave him no encouragement whatsoever.

Mr. WILLIS. Yes. Mr. President, in casting my vote on the amendment I will be acting out of my regard for a great group of colored people in the State of Indiana who I think are deserving of every possible consideration.

Mr. CLARK of Missouri. Mr. President, let me say further that the great group of colored people in the State of Indiana or the great group of colored

people in the State of Illinois or the great group of colored people in the State of Missouri or the great group of colored people in any other State are fully protected by the action of the President of the United States in submitting a Budget estimate on this matter. I repeat that the action the Senate has just taken is in response to the whim of this lobbyist.

Mr. RUSSELL. Mr. President, it is quite evident that the interest and votes of the great body of colored folks in many States has had considerable to do with the action the Senate has just taken. It appears that the influence of that great body of voters is such that in a case in which a constitutional principle is involved, principle can fall and be crushed into the earth, so long as the votes of Senators are cast in accordance with the wishes of that great body of colored voters, for whom they have such respect.

However, Mr. President, that question is not the only one involved in the amendment. This agency, without any legislative authority whatever, without the slightest basis of statutory power, without having had one dime of appropriation ever made for it, is one of the most arrogant of all bureaucracies. Because, Mr. President, when there is an agency which is not answerable to the Congress, an agency which does not even have to submit an annual request for an appropriation, an agency which has no power on earth over it except the Chief Executive of the United States, we always find that agency to be the most arrogant of all the bureaucracies.

Mr. President, I have received a great many letters in regard to this amendment that did not come from the South and do not involve the Negro issue. I know the situation of a Senator from the South who introduces an amendment under any circumstances whatever which remotely affects one Negro in the United States. Edgar Brown comes to see Senators, and the amendment is looked upon with suspicion even if the author did not know at the time the amendment was introduced that it affected a single Negro.

Many letters have been received from people who care nothing about the Negro issue—as illustrative of those who are in business and complain of the activities of these agencies, I read from a letter from a man whom I never saw, and of whom I never heard. His name is John S. Greer, of Cambridge, Mass. He wrote me a letter with respect to this amendment. He said:

I have read with considerable interest of a bill which would limit the transfer of funds to Government agencies that have not been authorized by Congress. I heartily commend your action and hope that your amendment will have widespread support in Congress. I see in your action perhaps the beginning of a movement to restore to Congress some control over the unending stream of regulations that have been pouring out of Washington of late years.

Of course this businessman could not know that Republican Senators, almost in a body, would vote to keep this unending stream of regulations pouring out of Washington, and to keep inviolate in

the hands of the bureaus of the Government the powers which they have always had. They go up and down the land making political speeches denouncing bureaus and agencies, and excess Executive power, but when it comes to the test in the Senate, and the roll is called on a vote, where are all their words? They are as empty as the winds that have gone in the years that are past. They speak one way on the stump and vote another way when the test is put to them in the Congress. They try to catch votes by attacking the bureaus which are harassing business in the country, but when it comes to voting, they vote to keep them in power, to get other votes, even if the Congress of the United States has never appropriated one dime for the maintenance of such agencies, and they have never received any legislative sanction. If there has ever been any demonstration of politics at its worst, we have just seen it here. Men who spend their time denouncing bureaus and bureaucracy, now vote to uphold and sustain them.

To return to the letter:

I do not believe that any regulations imposed by Congress can be unduly biased or unfair.

I know nothing about this gentleman or his political affiliations. He had no idea that the Republicans were going to vote almost solidly to sustain these regulations, whether they were unbiased or unfair, or whatever they might be.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I will yield as soon as I have concluded reading the letter. The writer continues:

Unfortunately, this cannot be said of most of the rules, regulations, etc., imposed upon us by the administrative agencies. I sincerely hope that Congress will now recover for itself the power and authority it formerly used in order that we may have more balanced government from Washington.

I hope Senators will listen to this. Talk about the colored issue. Here is a letter from Massachusetts about the Fair Employment Practice Committee. The writer brought this subject up himself:

By all means, do what you can to eliminate the Fair Employment Practice Committee. We, like most other industrial firms, have been annoyed on many occasions by the stupidity of this committee; for example, such inexcusable things as demanding that we explain to them why our newspaper advertisement for help specified that the applicants for positions should bring their birth certificates with them, when the United States Employment Service recommended that we use this phrase in our advertisement in order to expedite the hiring of war workers. Your action is most encouraging. More power to you.

I now yield to the Senator from Wisconsin.

Mr. WILEY. Can the distinguished Senator tell us how many bureaus have been created by executive action?

Mr. RUSSELL. No. I stated at the outset of my remarks that I have not been able to obtain a complete list of them; but I desire to put the responsibility on the Comptroller General for seeing that all of them, without exception, come before the Congress of the

United States to ask for their appropriations.

Mr. WILEY. Would the Senator say there are 500?

Mr. RUSSELL. I do not think there are that many.

Mr. WILEY. One hundred?

Mr. RUSSELL. I think the Senator is probably getting a little warm. The number might be less than 100.

Mr. WILEY. Seventy-five?

Mr. RUSSELL. I do not know how many there are. I said that I found 18 which would come within the purview of this amendment, in my judgment.

Mr. WILEY. Eighteen?

Mr. RUSSELL. Yes.

Mr. President, we are living in a strange age. We hear of a great many combinations in political life. We see queer happenings in some of the party councils. Last time our friends across the aisle nominated a man who had been a Democrat on their ticket for President of the United States. I do not know all the ramifications of the national political picture at present. I do know that I have received letters from a great many organizations, both pro and con, on this amendment. I do not know all the powers which were at work, which might have caused it to be so overwhelmingly adopted, but I do find that the Communist Party of the District of Columbia, in a letter addressed to me under date of March 8, has denounced this amendment and demanded that the President's Committee on Fair Employment Practices be eliminated from the purview of this amendment. I ask that the letter from the Communist Party demanding that this agency be specifically removed from the provisions of this amendment be printed in the *RECORD* at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the *RECORD*, as follows:

COMMUNIST PARTY,
District of Columbia, March 8, 1944.
Senator RICHARD RUSSELL,
Senate Office Building, Washington, D. C.
DEAR SIR: The following resolution was adopted unanimously at the last meeting of the Stanton Park Communist Club on March 2, 1944:

"Whereas the President's Committee on Fair Employment Practices has done a great deal to eliminate discrimination in the vital war industries of our country, and has proved to be one of the most valuable agencies to the entire war effort; and

"Whereas the Senate Appropriations Committee is considering favorably an amendment preventing the transfer of funds by the President to any agency which has been in existence for a year or more; and

"Whereas the local newspapers have reported that Senator RUSSELL admitted that the purpose of this amendment was to smash the F. E. P. C.; Therefore be it

"Resolved, That we, the members of the Stanton Park Communist Club, join with millions of our fellow-citizens in protesting against this vicious amendment and in demanding of the Senate Appropriations Committee that it be permanently shelved."

Respectfully,

JAMES P. BRANCA,
City Chairman.

Mr. WALSH of Massachusetts. Mr. President, will the Senator tell us who signed the letter—

Mr. RUSSELL. The letter is signed by James P. Branca, city chairman of the Communist Party of the District of Columbia, with headquarters at 527 Ninth Street NW.

Mr. WALSH of Massachusetts. I was interested in the name of the writer of the letter from Cambridge.

Mr. RUSSELL. His name is Mr. Don S. Greer, treasurer of J. W. Greer Co., manufacturers of confectioners' and bakers' machinery. I know nothing about the concern.

Mr. WALSH of Massachusetts. It is a large business establishment.

Mr. RUSSELL. Mr. President, there is at least one issue which, so far as most of the campaign oratory this fall is concerned, should in all good faith be eliminated. After the vote which has just been had I do not see how any Republican can, with any degree of good faith, go before the country and denounce the Democratic Party for creating bureaucracy when by their votes they are insisting that bureaus created by Executive order shall continue to harass the people of the United States. This vote is a challenge to the good faith of all of those who have been resorting to attacks on bureaus and bureaucracy. More will be heard of it in the days to come.

Mr. JOHNSON of Colorado. Mr. President, I move that the vote just taken be reconsidered. I was called out of the chamber by a constituent, Mr. Harry G. Worsham, who desired to speak to me, and when I left the chamber the Russell amendment was under consideration. When I returned to the chamber, while the yeas and nays vote was being taken, I supposed that we were voting on the Russell amendment. I inadvertently voted "yea," and I therefore move that the vote by which the amendment of the Senator from Delaware [Mr. BUCK] to the committee amendment on page 74, line 22, was agreed to, be reconsidered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Colorado [Mr. JOHNSON]. [Putting the question.]

Mr. CLARK of Missouri. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). Making the same announcement concerning my pair that I made heretofore, I withhold my vote.

Mr. MAYBANK (when his name was called). On this question I have a pair with the junior Senator from New York [Mr. MEAD]. If he were present and at liberty to vote he would vote "nay." If I were at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent attending a funeral. I am advised that if present and voting, he would vote "nay."

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from

Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Washington [Mr. BONE] is detained in one of the Government departments on matters pertaining to the State of Washington.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARRAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARRAWAY], and the Senator from Louisiana [Mr. ELLENDER] would vote "yea," and that the Senator from Illinois [Mr. LUCAS], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Rhode Island [Mr. GREEN] would vote "nay."

The Senator from Idaho [Mr. CLARK], the Senator from New York [Mr. MEAD], the Senator from Rhode Island [Mr. GERRY], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Indiana [Mr. JACKSON] is absent on official business. I am advised that if present and voting, he would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present he would vote "nay."

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee. If present he would vote "nay."

The Senator from Indiana [Mr. WILLIS] is detained on official business.

The result was announced—yeas 30, nays 28, as follows:

YEAS—30

Andrews	Gillette	Overton
Bailey	Hill	Reed
Ball	Holman	Russell
Bankhead	Johnson, Colo.	Shipstead
Byrd	McClellan	Smith
Chandler	McFarland	Stewart
Clark, Mo.	McKellar	Thomas, Idaho
Connally	Maloney	Tydings
Eastland	Millikin	Walsh, Mass.
George	O'Mahoney	Wheeler

NAYS—28

Aiken	Burton	Downey
Austin	Bushfield	Hawkes
Barkley	Butler	La Follette
Brewster	Capper	Langer
Bridges	Danaher	McCarran
Buck	Davis	Radcliffe

Robertson	Wagner	Wiley
Thomas, Utah	Weeks	Wilson
Tunnell	Wherry	
Vandenberg	White	

NOT VOTING—38

Bilbo	Gurney	O'Daniel
Bone	Hatch	Pepper
Brooks	Hayden	Revercomb
Caraway	Jackson	Reynolds
Chavez	Johnson, Calif.	Scrugham
Clark, Idaho	Kilgore	Taft
Cordon	Lucas	Thomas, Okla.
Ellender	Maybank	Tobey
Ferguson	Mead	Truman
Gerry	Moore	Wallgren
Glass	Murdoch	Walsh, N. J.
Green	Murray	Willis
Guffey	Nye	

So the motion of Mr. JOHNSON of Colorado to reconsider was agreed to.

Mr. WILLIS subsequently said: Mr. President, when the vote was taken to reconsider the amendment offered by the Senator from Delaware [Mr. BUCK] I was absent from the Chamber on official business. I should like to have the RECORD show, in the proper place, that had I been present I should have voted against the motion to reconsider, and should have voted in favor of the amendment of the Senator from Delaware, which would be in accord with my former record.

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senator from Delaware [Mr. BUCK] to the committee amendment on page 74, line 22.

Mr. MALONEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MCFARLAND (when his name was called). On this vote I have a pair with the junior Senator from New York [Mr. MEAD]. In his absence I withhold my vote. If I were permitted to vote I should vote "nay," and if present and voting the Senator from New York would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent attending a funeral. I am advised that if present and voting, he would vote "yea."

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Indiana [Mr. JACKSON] is absent on official business. I am advised that if present and voting, he would vote "yea."

The Senator from Washington [Mr. BONE] is detained in one of the Government departments on matters pertaining to the State of Washington.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARRAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Loui-

siana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARRAWAY], and the Senator from Louisiana [Mr. ELLENDER] would vote "nay," and that the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Illinois [Mr. LUCAS] would vote "yea."

The Senator from Idaho [Mr. CLARK], the Senator from New York [Mr. MEAD], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present he would vote "yea."

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee. If present he would vote "yea."

The Senator from Indiana [Mr. WILLIS] is detained on official business.

The result was announced—yeas 27, nays 33, as follows:

YEAS—27

Alken	Davis	Tunnell
Austin	Downey	Vandenberg
Barkley	Hawkes	Wagner
Brewster	La Follette	Weeks
Buck	Langer	Wherry
Burton	McCarran	White
Butler	Maloney	Wiley
Capper	Radcliffe	Willis
Danaher	Thomas, Utah	Wilson

NAYS—33

Andrews	George	Overton
Bailey	Gerry	Reed
Ball	Gillette	Robertson
Bankhead	Hill	Russell
Bridges	Holman	Shipstead
Bushfield	Johnson, Colo.	Smith
Byrd	McClellan	Stewart
Chandler	McKellar	Thomas, Idaho
Clark, Mo.	Maybank	Tydings
Connally	Millikin	Walsh, Mass.
Eastland	O'Mahoney	Wheeler

NOT VOTING—36

Bilbo	Gurney	Nye
Bone	Hatch	O'Daniel
Brooks	Hayden	Pepper
Caraway	Jackson	Revercomb
Chavez	Johnson, Calif.	Reynolds
Clark, Idaho	Kilgore	Scrugham
Cordon	Lucas	Taft
Ellender	McFarland	Thomas, Okla.
Ferguson	Mead	Tobey
Glass	Moore	Truman
Green	Murdoch	Wallgren
Guffey	Murray	Walsh, N. J.

So Mr. BUCK's amendment to the amendment of the committee was rejected.

Mr. BUTLER subsequently said: Mr. President, on the amendment offered by

the junior Senator from Delaware [Mr. Buck], I was present in the Chamber and voted "yea" both times. I did not notice the fact that my name was omitted in the recapitulation of the vote the second time. I should like to have the RECORD show that I voted "yea."

The VICE PRESIDENT. Without objection, the RECORD will show that the Senator from Nebraska voted "yea" on both occasions.

The question is on agreeing on the amendment of the committee as amended.

The amendment as amended was agreed to.

Mr. BRIDGES. Mr. President, I move to amend in line 22, page 74, by striking out the words "established by Executive order", and on line 25 to strike out the word "or" and insert the word "and."

This amendment would make the so-called Russell amendment all-inclusive, and inasmuch as we have done some reconsidering and are going to include every agency created by Executive order, let us go all the way and include all organizations and corporations under Government control.

Mr. TYDINGS. Mr. President, may we have the amendment stated? It was difficult, because of the noise in the Senate Chamber, to follow the words when the Senator read the amendment.

Mr. McKELLAR. I hope it may be stated. I did not hear it.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 74, line 22, it is proposed to strike out the words "established by Executive order", and on line 25 to strike out "or" and insert "and."

Mr. TYDINGS. There are two "ors" in line 25. Which one is the Senator eliminating, the first one or the last one?

Mr. BRIDGES. The last one, after the word "instrumentality."

Mr. RUSSELL. I did not understand where the last insertion was to be.

Mr. BRIDGES. On line 25, after the word "instrumentality", to strike out the word "or" and insert the word "and."

Mr. RUSSELL. Mr. President, I know the difficulties we encounter when we attempt to get information in regard to these governmental agencies, and I make bold to ask the Senator from New Hampshire if he can give us some illustrations of the type of agency to which he would attempt to apply the amendment.

Mr. BRIDGES. If the Senator will refer to the House hearings, at page 807, he will find there has been inserted a list of Government corporations as of December 15, 1943, and there is an analysis showing whether or not they are subject to control by Congress.

Mr. TYDINGS. Will the Senator name some of them so that we may get a line on what the agencies are?

Mr. BRIDGES. The American President Lines, Ltd. Congress has no control over its administrative expenditures.

Mr. AIKEN. Will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. I may say to the Senator from New Hampshire that it is said that organization is not audited by the Comptroller General's Office because it

is owned by the Maritime Commission. About 90 percent of the stock is so owned.

Mr. BRIDGES. The Senator says it is not audited by the General Accounting Office?

Mr. AIKEN. Yes.

Mr. BRIDGES. According to the House hearings, the official testimony, that does not appear to be so.

Mr. AIKEN. The notation says:

No accounts submitted to the General Accounting Office, but books and records examined in connection with Maritime Commission audit.

Incidentally, the Maritime Commission audit simply proved that they could not tell anything by the books and balance sheets. So perhaps we might say it was not audited effectively and efficiently; but it was audited the best the General Accounting Office could audit it.

Mr. BRIDGES. I read from the list:

Banks for cooperatives, Central Bank for Cooperatives, District banks for cooperatives; Cargoes, Inc.; Colonial Mica; Copper Recovery Corporation; Defense Homes Corporation; Defense Plant Corporation; Defense Supplies Corporation; Disaster Loan Corporation.

Mr. TYDINGS. Will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. TYDINGS. I am not well advised as to this matter, being taken more or less by surprise by the recital of all these agencies, but my impression is that some of those the Senator is naming are authorized under act of Congress, not directly, but the activities themselves are authorized, and appropriations are made for the agencies. These agencies are entities, as I understand, carrying out specific grants of power by Congress. If I am wrong in that, I should like to be corrected.

Mr. BALL. Mr. President, I think most of these organizations are subsidiary corporations of the R. F. C. which are created pursuant to authority granted by Congress; but I do not think Congress ever specifically authorized their creation. For instance, there is the Petroleum Reserves Corporation. The R. F. C. has authority to create such a corporation, but I do not think Congress ever provided for it.

Mr. TYDINGS. Is it correct to state what I understand to be the case, that authority was given by Congress to the R. F. C. to do certain specific things, that Congress did not of course name the agencies by which those things should be translated into action, but the R. F. C. has set them up itself? What I am concerned about is whether Congress did give the R. F. C. the general power to administer the functions which these agencies are administering.

Mr. BALL. I think most of them are authorized in the act. I rather question whether some of the functions they have carried on are authorized, such as paying food subsidies.

Mr. TYDINGS. I think it might be that for what the Senator from New Hampshire desires to accomplish he could obtain support, but at the moment it appears to me that to take a broadsword and go into this matter without a little clearer definition, or knowing what in

general Congress has done in the war effort, might wreck the whole thing.

Mr. BRIDGES. It seems to me to be very clear that Congress should have supervision over the administrative expenditures of these various corporations which are authorized and controlled by the Government. We have heard the Senator from Georgia [Mr. RUSSELL] and others who have made very impassioned speeches here today. The amendment of the junior Senator from Georgia is sound, it is in the right direction, but let us go all the way and take in these additional corporations and let Congress have control all along the line.

Mr. RUSSELL. Mr. President, I have no objection to the amendment of the Senator from New Hampshire except that portion which changes the word "or" to "and" in line 25 on page 74. If the Congress has specifically authorized the expenditure of funds I believe we ought not to undertake to repeal the act of Congress. I am perfectly willing to let the provision apply to all agencies which have to come before Congress to obtain appropriations, but where the Congress has specifically authorized the expenditure of funds by a corporation, such as the T. V. A., I do not think we ought to change the law. I am willing to accept the Senator's amendment, to take in all agencies, whether created by Executive order or otherwise, but where the Congress has specifically authorized the expenditure of funds I do not think we should undertake to repeal such authorization in this haphazard fashion. I am perfectly willing, however, to include all the other agencies the Senator has suggested.

Mr. BRIDGES. Mr. President, will the Senator please explain what he is willing to accept, and what he is not willing to accept?

Mr. RUSSELL. I have no objection to eliminating the words "established by Executive order." I think that will accomplish what the Senator has indicated he desires to do because what we want to do is to make all these agencies accountable to Congress. If the words "established by Executive order" are eliminated, it will bring all these agencies to the point where we will either appropriate specifically for them or specifically authorize expenditures. I think that is going far enough.

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield.

Mr. DANAHER. To reach the purpose the Senator from Georgia has in mind, and which obviously is in accordance with the views expressed by the Senator from New Hampshire, if, in line 22, instead of striking out the words "established by Executive order" there were inserted after the word "instrumentality" the words "including those", so as to read "instrumentality including those established by Executive order", the change in line 25 to which the Senator from Georgia objects would not be needed, and everything as to which both Senators are now in accord would be effectuated. Is that not so?

Mr. RUSSELL. I think the quick mind of the Senator from Connecticut has sug-

gested an amendment that will solve the whole matter.

Mr. BRIDGES. I will modify my amendment accordingly.

The VICE PRESIDENT. The amendment as modified will be stated.

The LEGISLATIVE CLERK. Mr. BRIDGES' amendment, as modified, is on page 74, line 22, after the word "instrumentality," to insert the words "including those."

Mr. BALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BALL. I am seeking information. Will that make all the subsidiary corporations which R. F. C. has created come annually before the Appropriations Committee or some other committee to receive specific authorization?

Mr. BRIDGES. That is what I desire to have them do.

Mr. DANAHER. Mr. President, will the Senator again yield to me?

Mr. BRIDGES. Yes.

Mr. DANAHER. It would be my expectation that it would not do any such thing, I hasten to say. If the Senator from New Hampshire thinks that by modifying the amendment by adopting my language, it would force R. F. C. to come before Congress for an appropriation, I wish to say to him that it will not. Those corporate agencies are in a different status, and they ought to be, and if in fact the Senator wishes to define a policy which will reach Government corporations which are authorized specifically to borrow from the Treasury, neither the language as it was reported by the committee, nor the language suggested by the Senator from New Hampshire, nor the language which I offered by way of a modification, would reach such corporate agencies.

On the other hand, all those that are set up as agencies are instrumentalities, and all those that are set up under existing law or by Executive order would come squarely within the intendment of the committee amendment if it be modified as I suggested to the Senator from New Hampshire.

Let me say, Mr. President, that it seems to me to be wise that the Senator from New Hampshire accept the modification. I will say further that I am in accord with him that some of these days we ought to take affirmative action with reference to the definition of a policy or at least a review of the authorization in execution of the policy which we have hitherto entrusted to the Reconstruction Finance Corporation and all of its class 5-d subsidiaries. But that is not involved in an appropriation bill. It clearly is not involved in this bill.

Therefore, Mr. President, I respectfully appeal to the Senator from New Hampshire to go as far as he properly can in this amendment, and let the matter of corporation authorizations be reviewed in subsequent action.

I will conclude with one further observation. We do have such corporations as the Commodity Credit Corporation, which has been specifically set up by the Congress with a list of purposes and objectives clearly stated in the enabling or the creating act. We have another class of corporations, however, which are the

5-d corporations which R. F. C. can set up in its own office, and those are the ones against which the Senator from New Hampshire no doubt would inveigh and which he hopes to reach. But this language would not do that.

I also think that in due course we ought to review the entire set-up with reference to these corporate creatures. I was simply trying by way of explanation of my own thought on this subject to assist other Senators who do not understand what I had in mind when I suggested to the Senator from New Hampshire a modification of his language.

Mr. AIKEN. I wish to say to the Senator from New Hampshire that it seems to me the weakness in congressional control over these created agencies, the children and the grandchildren of agencies that have been authorized, is due to the fact that we have never authorized an official audit of any of them, and if the Senator will look on his desk he will find that I have submitted an amendment which I expect to call up shortly which will provide for an official audit of all these agencies, whether authorized directly by the Congress or created by another agency that has been authorized by the Congress.

I agree with the Senator from Connecticut. His suggestion is about as far as it seems to me it would be safe to go. I am in full sympathy with the intent of the Senator from New Hampshire as to controlling these agencies which have been created, it might be said, promiscuously, but we do not want to take a chance on going too far. Therefore it appears to me that the suggestion of the Senator from Connecticut is a good one.

Mr. WHEELER. Mr. President, I am frank to say that I cannot agree entirely with the Senator from Connecticut. The language of the proposed section 213 is—

No part of any appropriation or fund made available by this or any other act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality.

A corporation set up by one of these agencies is certainly an instrumentality. If they have set up corporations I think they would come within the meaning of the term "instrumentality." What else is a corporation which is set up by the R. F. C. but an instrumentality to carry out some purpose of the R. F. C.?

Mr. DANAHER. Mr. President, will the Senator from New Hampshire yield to me so I may reply to the Senator from Montana?

Mr. BRIDGES. I yield.

Mr. DANAHER. I fully agree with the Senator from Montana that a corporation is an instrumentality. I further state that it is an instrumentality of government when it is set up under an authorization which Congress has granted. But the language in line 19 on page 74 is—

No part of any appropriation or fund made available by this or any other act.

That means no part of any appropriation or fund for such instrumentalities as those which would be affected.

Consequently corporations which we have authorized to be created and to be

capitalized by borrowing from the Treasury are in no way involved within the meaning of that language. Moreover, I will say to the Senator from Montana, if I may do so, I do not think they should be.

Mr. WHEELER. Perhaps I misunderstood the Senator, Mr. President. I say that a corporation set up by the R. F. C. is an instrumentality of the R. F. C.

Mr. DANAHER. I agree. It is an instrumentality of the Government.

Mr. WHEELER. Yes.

Mr. DANAHER. I agree to that.

Mr. WHEELER. If such a corporation is borrowing money from the R. F. C. without coming to the Congress for authority for that purpose, I say the language is broad enough to cover it. If the Congress authorizes the setting up of a separate corporation, that may be different. But I certainly cannot follow the construction placed upon the language by the Senator from Connecticut. I think the language is broad enough to cover such corporations, and I think it should cover them. I do not think the R. F. C. should be permitted to set up a corporation, and then give it money, without coming to the Congress and saying what the money is for. I think we should put a stop to such a practice. If there is any question about it, I think that should be done, and words to do it should be written into the bill at this time.

Mr. DANAHER. Mr. President, let me further reply by saying that I agree there should be an overhauling of the powers which have hitherto been granted to corporations. I am even willing to agree that some corporations which have been created have thereafter exceeded any authorization or purposes the Congress had in mind. But this bill is not the place on which to provide for an overhauling of all the corporate powers of corporations Congress has authorized.

In the Committee on Banking and Currency we very often deal with such matters, and on many occasions we have had opportunity to review requests by the R. F. C. or other agencies for increases in the authorizations as to their borrowing power. But, Mr. President, if it is borrowing power, clearly an appropriation is not involved. Clearly, if we are dealing with appropriations, and if we intend to place a limit on the appropriations in the pending bill, we may and we should limit the circumscription of this particular section to appropriations, not to corporations. That is the way I look at it, in any case; and I believe that is as far as we should go at this time.

Mr. WHEELER. Mr. President, perhaps I misunderstood the Senator. I understand that his idea is that the language is limited to corporations referred to in this particular bill.

Mr. DANAHER. Or in any other bill or act. In line 20 the words "or any other act" appear. It obviously applies to the agencies or instrumentalities over which Congress does have power, which it has authorized, and for which an appropriation has been provided. Consequently, we simply say we wish to have a chance to review the policy involved, so far as corporations created by Execu-

tive order are concerned, in addition to those for which we appropriate directly. That is all the amendment does. It may not go as far as the Senator from Montana would like to have it go, but I say that is as far as it goes.

Mr. WHEELER. I still say, with regret, that I am unable to follow the logic of the Senator from Connecticut with reference to the matter. In connection with the interpretation of the language, if the words "established by Executive order" were included, I think that would cover the matter. I may be wrong, but that is my own interpretation.

Mr. BRIDGES. Mr. President, as I understand the pending issue, I accepted the amendment to the amendment offered by the Senator from Connecticut, which provided that, after the word "instrumentality," the words "including those" be inserted, so that the language would read, "including those established by Executive order."

Mr. RUSSELL. And the same amendment would be made on page 75, in line 2.

Mr. BRIDGES. Yes.

Mr. RUSSELL. I have no objection to that amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire, as modified.

The amendment, as modified, was agreed to.

FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE

Mr. McCARRAN. Mr. President, I must leave the Chamber in just a moment. Following the conclusion of the consideration of the bill now before the Senate, I am advised that Senate bill 1767 is to come up for consideration. That is the ex-servicemen's bill, or the veterans' bill, in charge of the senior Senator from Missouri [Mr. CLARK]. I had intended, when the bill was before the Senate, to offer three amendments to it. I do not intend to hold up, even to the extent of having the Senate consider the amendments at this time, action on the pending bill. Inasmuch as I must leave the Chamber now, I wish to obtain unanimous consent that the three amendments may be printed in the RECORD, with the understanding that I may at a later time offer the amendments as separate amendments to the bill. I wish the RECORD to show that if I were present during the consideration of the bill, I would vote for it in its present form.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. McCARRAN to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, viz: On page 5 after line 10, insert a new section as follows:

"Sec. 106. The Servicemen's Dependents Allowance Act of 1942, as amended, is hereby amended by adding six new sections to title I thereof to be numbered 122, 123, 124, 125, 126, and 127, to read as follows:

"Sec. 122. Upon receipt of an official report of the death of a member of the active military or naval forces as a result of injury or disease incurred in or aggravated by such service, the Secretary of War or the Secretary

of the Navy, as the case may be, shall notify the Administrator of Veterans' Affairs (hereinafter referred to as the Administrator) thereof, and shall certify to the Administrator, (1) the date of death of such member, (2) the fact that the death was the result of injury or disease incurred in or aggravated by military or naval service, (3) the names, addresses, and relationship of any dependents of such member, who, at the time of his or her death, were being paid monthly family allowances under this act, (4) the amount or amounts of any such monthly allowances being paid to each of such dependents, (5) the date on which any such allowances will terminate as provided in section 123, and (6) any other information necessary for the Administrator to perform the duties required of him by this act.

"Sec. 123. The Secretary of War or the Secretary of the Navy, as the case may be, are hereby authorized and directed to continue the payment of any monthly family allowances to the dependents of such deceased member for a period of 1 month following the termination of such allowances as provided in section 107 (b).

"Sec. 124. Upon receipt of the notification and certificate provided for in section 122, the Administrator is hereby authorized and directed to determine, automatically and without application therefor, whether any of such dependents are entitled to any pension or compensation under laws administered by the Veterans' Administration, and the exact amount or amounts thereof, if any. Pending such determination the Administrator is hereby authorized and directed (commencing with the month following the payments provided for in sec. 123) to pay to such of the dependents of the deceased member having such relationship to him or her as might entitle them to a pension or compensation under laws administered by the Veterans' Administration, the full amount or amounts of such monthly family allowances as certified to the Administrator by the Secretary of War or the Secretary of the Navy under section 122, until he shall have made the determinations provided for in this section as to any pension, compensation, and the amount or amounts thereof. Notwithstanding the provisions of any other law, any pension or compensation awarded such dependents under this section shall become effective after the termination of the payment of any monthly family allowances provided for in this section; *Provided*, That section 112 of this title shall apply to payments of monthly family allowances made by the Administrator under the provisions of this section.

"Sec. 125. Nothing in this act shall be construed to (1) curtail any right of any such dependent (after any award of pension or compensation is made) to appeal from the determination and finding of the Administrator made as directed in section 124; (2) prevent the Administrator from subsequently reopening the case and making any other determination or finding with respect thereto; or (3) prevent any such dependent from waiving any pension or compensation or other benefit after such determination and finding has been made by the Administrator.

"Sec. 126. The Secretary of War, the Secretary of the Navy, and the Administrator are authorized jointly and severally to prescribe such regulations as they may deem necessary to enable them to carry out the provisions of sections 122, 123, 124, 125, and 127 and to delegate to such officers and employees of their respective departments as they may designate any of their functions.

"Sec. 127. Appropriations heretofore made for the Veterans' Administration "Salaries and expenses, medical and hospital, and compensation and pensions," shall be available for necessary expenses in carrying out the purposes of section 124; and there is hereby

authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes of that section."

Amendment intended to be proposed by Mr. McCARRAN to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, viz: At the end of title II, page 19, insert the following new sections:

"Sec. 404. Every veteran, excepting commissioned officers whose base pay exceeds \$200 per month, shall be credited with mustering-out pay as provided in section 402. Such credit shall be made as of the time of discharge or relief from active duty of such veteran.

"Sec. 405. Mustering-out pay shall be determined according to length of service prior to discharge or relief from active duty, as follows: For service less than 3 months, \$150; for service more than 3 months but less than 6 months, \$300; for service more than 6 months but less than 9 months, \$450; for service 9 months or more, \$600.

"Sec. 406. One-sixth of the amount of mustering-out pay credited to any veteran, or \$50, whichever is greater, shall be paid at the time of discharge or relief from active duty of such veteran, or on the first day of the second calendar month next following approval of this act, whichever shall last occur; similar payments shall be made at consecutive monthly intervals thereafter, until the full amount of mustering-out pay credited to such veteran shall have been paid.

"Sec. 407. Payments as provided in section 403 shall be made to the veteran, if living. In the case of a veteran who shall die before receiving the full amount of mustering-out pay credited to him, any payment due under section 403, subsequent to his death, shall be made to his surviving widow, if any; and if he shall leave no surviving widow, then in equal shares to his surviving minor children, if any; and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any; and if he shall leave no surviving widow, minor children, or parents, then to his executor or administrator for the benefit of his estate.

"Sec. 408. The Secretary of War and the Secretary of the Navy shall administer this title within their respective services."

Amendment intended to be proposed by Mr. McCARRAN to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans viz: At the end of title III, page 26, insert the following new chapter:

"CHAPTER VI—VETERANS' LOANS

"Sec. 600. That as used in this title—

"(a) The term 'veteran' means any person who was in the military service of the United States, as defined in section 101 (1) of the Soldiers' and Sailors' Relief Act of 1940, at any time during the period beginning on December 7, 1941, and ending on the date of the cessation of hostilities in the present war as proclaimed by the President, and who shall have been honorably discharged from such service; or any person who served in the Women's Army Auxiliary Corps and who shall have been honorably discharged for disability incident to such service.

"(b) The term 'veterans' loan' means a loan made by a lending agency to a veteran pursuant to the provisions of this act for the purpose of enabling such veteran to retire indebtedness owed by him on the date of his discharge from the service.

"(c) The term 'lending agency' means any banking institution the deposits of which are insured by the Federal Deposit Insurance Corporation, any Federal savings and loan association organized pursuant to the provisions of section 5 of the Home Owners' Loan Act of 1933, as amended, and any building and loan association which is a member of a Federal home-loan bank.

"(d) Masculine pronouns shall be taken to include the feminine, the singular to include the plural and the plural to include the singular.

"Sec. 601. (a) Upon receipt of an application in such form as may be prescribed by the Reconstruction Finance Corporation (hereinafter referred to as the 'Corporation') pursuant to section 604 (a) of this act, filed by a veteran within 6 months after the date of his discharge from the service, or within 6 months after the date of enactment of this act, whichever is later, and upon execution by such veteran of a veteran's note in such form as may be prescribed by the Corporation pursuant to such section 604 (a), a lending agency is authorized to make a veteran's loan to such veteran in an amount not to exceed the amount of indebtedness and accrued interest thereon owed by such veteran on the date of his discharge as evidenced in the manner prescribed in subsection (c) of this section; but in no case shall the amount of such loan exceed \$1,000.

"(b) Such veteran's loan shall be on the monthly installment plan, repayment to begin 6 months after the date of execution of the loan. Veterans' loans shall bear interest at the rate of 6 percent per annum on the unpaid portion of the obligation. No veteran's loan shall be made for a period longer than 3 years; but if made for a shorter period, any veteran's loan may be refinanced, in the discretion of the lending agency, by extension of payments, without impairing the obligation of the Corporation under section 604 (a) of this act: *Provided*, That under any refinancing plan agreed to, equal monthly installments shall be required, and provision shall be made for complete discharge of the entire obligation, including interest, not later than 3 years from the date of the veteran's loan. Acceleration of installments on a veteran's loan shall not be permitted by the lending agency unless the loan is more than 3 months in arrears, except that the lending agency may accept whole or partial settlement of any veteran's loan, without regard to prescribed installments, in any case where the lending agency has good reason to believe that the veteran's loan was procured wholly or in part by fraud.

"(c) Any application for a veteran's loan shall be accompanied by satisfactory evidence of the honorable discharge of the applicant by a list of present and certain future benefits due the applicant from the Government of the United States, or from any of its departments or agencies, at the time of the application, and by a certified list of creditors showing the amounts owed by such applicant as of the date of such discharge; and shall comply with such other requirements as may be provided in accordance with section 604 (a) of this act. No security, endorsers, or comakers shall be required with respect to any such loan. The obligation of the Corporation to purchase, as provided in section 602, shall not be created in the case of any borrower who is not in fact a veteran.

"(d) Within 5 days after making any veteran's loan, the lending agency shall give notice thereof, in such form as shall be provided in accordance with section 604 (a) of this act, to the Corporation and to all Government departments and agencies from which benefits are due or to become due the applicant, according to the list filed by the applicant with his application, as provided in subsection 601 (c) of this act.

"Sec. 602. The Corporation shall agree to purchase from the lending agency any note legally executed by a veteran for the purpose of securing a veteran's loan, in full compliance with the provisions of section 601 and subsection 605 (a) of this act, which remains unpaid for 30 days after the date of maturity

thereof, or on which installments are more than 3 months in arrears, at a price equal to the unpaid portion of such note and any interest accrued and unpaid thereon: *Provided*, That in any case in connection with which the lending agency is guilty of fraud or gross negligence, the Corporation shall not be obligated under this section. As consideration for such agreement by the Corporation, the lending agency shall agree to pay to the Corporation an amount equal to 1½ percent per annum of the unpaid portion of such loan, to be payable at such time and in such manner as the Corporation may prescribe.

"Sec. 603. (a) Upon notice by the Corporation or by a lending agency that it is the holder of a note given by a veteran for the purpose of securing a veteran's loan under this act, any Government department or agency of the United States shall consider the amount of unpaid principal and interest thereon as a preferred lien on any pension, compensation, insurance, or other financial benefit accrued or thereafter accruing, under any of the laws administered by such department or agency, to such veteran or to his dependents or beneficiaries, and shall withhold from such accrued or accruing benefits, and remit to the Corporation upon demand, such amounts as will fully discharge such indebtedness: *Provided*, That the official having charge of the payment of any such benefits may, with the approval of the Corporation, release all or part of such benefits from the Corporation's lien, in any case where he determines such release is advisable because of the needs of the veteran, or his dependents or beneficiaries.

"(b) The special remedy provided by this section shall not be deemed exclusive.

"Sec. 604. (a) The Corporation is authorized and directed to prescribe and furnish to lending agencies forms of applications for veterans' loans under this act and of notes to be executed by veterans for the purpose of securing such loans, and to promulgate such rules and regulations as may be necessary and proper to enable it to carry out the provisions of this act, and such forms, rules, and regulations shall be uniform with regard to all veterans' loans.

"(b) The amount of notes, debentures, bonds, or other obligations which the Corporation is authorized to issue and have outstanding at any one time under existing law is hereby increased by an amount sufficient to enable the Corporation to carry out the provisions of this act.

"Sec. 605. (a) Not more than one veteran's loan shall be made under the provisions of this act to any veteran, regardless of the amount of such loan, except that a veteran who has received a veteran's loan in a lesser amount than the maximum amount of the loan to which he is entitled under subsection 601 (a) of this act, but who is otherwise eligible for a veteran's loan, may apply for and receive a second veteran's loan: *Provided*, That the existence of the first veteran's loan shall be disclosed by the applicant to the lending agency to which application for a second veteran's loan is made, and that such lending agency shall make certain such first loan is paid in full, both as to principal and interest, from the proceeds of such second veteran's loan.

"(b) Any person who, having obtained a veteran's loan under this act, solicits, applies for, or accepts another such loan, except as provided in subsection 605 (a) of this act, and any person who knowingly and willfully furnishes any false or misleading information for the purpose of obtaining a veteran's loan, or of enabling another to obtain a veteran's loan, under this act, shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both."

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment as amended on page 74, beginning in line 19.

The amendment as amended was agreed to.

Mr. McKELLAR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 30, line 3, after the sum, and before the period, it is proposed to insert the following: "*Provided*, That the Comptroller General shall designate an employee of the General Accounting Office to act as Comptroller General during the absence or incapacity of the Comptroller General and the Assistant Comptroller General, or during a vacancy in both of such offices."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed at this point in the Record a letter from Lindsay C. Warren, Comptroller General of the United States.

There being no objection, the letter was ordered to be printed in the Record, as follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, March 11, 1944.

HON. KENNETH MCKELLAR,
Acting Chairman, Committee on Appropriations, United States Senate.

MY DEAR MR. CHAIRMAN: I have the honor to submit for your consideration for inclusion in a pending appropriation bill carrying appropriations for the General Accounting Office the following proviso:

"*Provided*, That the Comptroller General shall designate an employee of the General Accounting Office to act as Comptroller General during the absence or incapacity of the Comptroller General and the Assistant Comptroller General, or during a vacancy in both of such offices."

Section 302 of the Budget and Accounting Act, 1921, provides for an Assistant Comptroller General of the United States, who shall act as Comptroller General during the absence or incapacity of the Comptroller General, or during a vacancy in that office. Also, section 311 (e) of said act provides that all official acts performed by such officers or employees specially designated therefor by the Comptroller General shall have the same force and effect as though performed by the Comptroller General in person. Under authority of the latter provision, the Comptroller General from time to time has designated certain officers or employees of the General Accounting Office specially to perform certain duties imposed upon him by law. However, there is no clear authority for the designation by the Comptroller General of an employee to act as Comptroller General during the absence or incapacity of both himself and the Assistant Comptroller

General, or during a vacancy in both offices.

The need for legislation of the character here proposed is apparent in the recent history of the General Accounting Office. During the period for July 1, 1936, to April 10, 1939, and for a considerable period in 1940, the office of Comptroller General was vacant. The then Assistant Comptroller General acted as Comptroller General, pursuant to law, but there was no other officer specifically authorized by law so to act in the event of his absence or incapacity or in the event he had resigned or retired or his term had ended. Individuals previously designated under section 311 (e) of the Budget and Accounting Act, 1921, could have continued to perform, in the name of the Comptroller General, the acts specified in their respective designations, but there would have been no one empowered to make new or additional delegations of authority or to perform the full duties of the office of Comptroller General.

General statutory provisions for temporary succession in emergencies have been made in the case of the heads of the executive departments of the Government and the bureaus and offices thereof. (See title 5, U. S. C., secs. 1 to 9.)

I am proposing enactment of this legislation as a part of a pending appropriation bill carrying appropriations for the General Accounting Office because it has seemed to me that the legislation requested herein is so clearly devoid of any objectionable features and so clearly and urgently needed to assure the continuous and complete operation of the General Accounting Office through any future emergency of the character sought to be guarded against that you and your committee might agree with me that it would be more economical and prompter if the authority sought can be obtained in that way rather than through the medium of a separate bill for the purpose.

I shall be glad to appear before your committee for the purpose of explaining this proposal further if you should desire me to do so.

Sincerely yours,

LINDSAY C. WARREN,

Comptroller General of the United States.

Mr. BURTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BURTON. What disposition was made of the amendment to section 210, on page 73?

The VICE PRESIDENT. The amendment was agreed to, without debate.

Mr. BURTON. I move that the vote by which the amendment was agreed to be reconsidered. I should like to state the nature of the amendment, because I think a brief statement will enable the Senate to realize the reason why the vote by which the amendment was agreed to should be reconsidered.

The amendment is the one which involves the abolition of the civil service as it would affect positions with salaries of \$4,500 or more a year. The amendment would make all such positions subject to having the salaries paid only when the persons holding such positions were appointed by the President and confirmed by and with the advice and consent of the Senate. I believe the amendment should have consideration before the vote upon it is taken.

Therefore I move to reconsider the vote by which the amendment was agreed to.

Mr. McKELLAR. Mr. President, I am sure all Members of the Senate understood the amendment at the time when

it was agreed to. Consequently I see no reason for having the Senate reconsider the vote by which the amendment was agreed to. I move that the motion to reconsider be laid on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the motion of the Senator from Ohio that the vote by which the amendment to section 210, on page 73, was agreed to be reconsidered.

Mr. BURTON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). Making the same announcement as I previously made, I withhold my vote.

The roll call was concluded.

Mr. BREWSTER. I have a pair with the Senator from New York [Mr. MEAD]. If he were present and at liberty to vote, he would vote "nay." If I were at liberty to vote, I would vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent attending a funeral.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Washington [Mr. BONE] is detained in one of the Government Departments on matters pertaining to the State of Washington.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Oklahoma [Mr. THOMAS] would vote "yea."

The Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM], the Senator from New York [Mr. MEAD], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is detained in one of the Government departments on matters pertaining to the State of Utah.

The Senator from Indiana [Mr. JACKSON] is absent on official business.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from Oregon [Mr. CORDON], the Senator from

South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee. If present, he would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The result was announced—yeas 31, nays 23, as follows:

YEAS—31

Andrews	Holman	Russell
Bailey	Johnson, Colo.	Smith
Bankhead	McClellan	Stewart
Bushfield	McFarland	Thomas, Idaho
Chandler	McKellar	Tydings
Clark, Mo.	Maloney	Walsh, Mass.
Connally	Maybank	Weeks
Danaher	Millikin	Wheeler
Eastland	Overton	Wherry
George	Reed	
Gerry	Robertson	

NAYS—23

Aiken	Capper	Shipstead
Austin	Davis	Tunnell
Ball	Downey	Vandenberg
Barkley	Hill	White
Bridges	La Follette	Wiley
Buck	Langer	Willis
Burton	O'Mahoney	Wilson
Butler	Radcliffe	

NOT VOTING—42

Bilbo	Guffey	Nye
Bone	Gurney	O'Daniel
Brewster	Hatch	Pepper
Brooks	Hawkes	Revercomb
Byrd	Hayden	Reynolds
Caraway	Jackson	Scruggam
Chavez	Johnson, Calif.	Taft
Clark, Idaho	Kilgore	Thomas, Okla.
Cordon	Lucas	Thomas, Utah
Ellender	McCarran	Tobey
Ferguson	Mead	Truman
Gillette	Moore	Wagner
Glass	Murdock	Wallgren
Green	Murray	Walsh, N. J.

So Mr. McKELLAR's motion to lay on the table Mr. BURTON's motion to reconsider was agreed to.

Mr. HAYDEN. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Arizona will be stated.

The LEGISLATIVE CLERK. On page 15, line 20, after the figures "\$1,978,707", it is proposed to insert "of which not less than \$172,410 shall be available for the enforcement of the Wool Products Labeling Act."

Mr. HAYDEN. Mr. President, this is a repetition of the provision which was in the bill last year, and I think it ought to be contained in the bill this year. It is a limitation on the amount of money which may be expended for the Truth in Fabrics Act.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arizona.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, on page 34, line 3, after the word "expenses", I move to strike out "\$500,000" and insert "\$655,000."

The budget of the Bureau of Valuation of the Interstate Commerce Commission for the fiscal year 1943 and 1944 amounted to slightly less than \$700,000, including the overtime pay of employees. The Bureau of the Budget recommended \$655,000 for the fiscal year 1944-45, a

reduction below the current year of approximately \$40,000. The House Appropriations Committee cut \$155,000 from the Budget figure, which resulted in the bill passing the House with a figure of \$500,000, and the Senate committee did not alter that amount.

It would appear from a perusal of the House report that this action was taken because the work of valuation in connection with the war activities of the Government was on a reimbursable basis. Further consideration of the matter would seem to indicate that this money was not utilized for the purpose of expanding the number of employees, but on the contrary was utilized to pay overtime, or was returned to the Treasury.

The Bureau of Valuation has conducted some very important valuation work for the Bureau of Yards and Docks in the Navy Department, for the Maritime Commission, and for some of the other agencies of government, in connection with a report. I am offering this amendment in order that the matter may have further consideration in conference. I hope the Senator from Tennessee will be willing to take it to conference.

Mr. McKELLAR. Under the circumstances stated by the Senator from Wisconsin, I shall be glad to take the amendment to conference.

Mr. LA FOLLETTE. I greatly appreciate the Senator's statement.

Mr. President, I shall conclude by asking unanimous consent to have printed in the RECORD, as a part of my remarks, sundry letters from various agencies involved, by which the Valuation Division of the Interstate Commerce Commission has done this special war evaluation work.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EXHIBIT 1

NAVY DEPARTMENT,
BUREAU OF YARDS AND DOCKS,
Washington, D. C., April 3, 1943.

Hon. CAROL MILLER,

Commissioner in Charge of Valuation, Interstate Commerce Commission, Washington, D. C.

MY DEAR COMMISSIONER: I have learned informally that there is a possibility of curtailing the personnel in your Bureau of Valuation. This information coming at this time is of great concern to me and which I personally feel would cripple the Navy's war effort or at least force such a radical change and departure in our methods of doing business that our costs would be greatly increased and we would be forced to augment our personnel.

As I presume you are aware, in its land program the Navy Department has refrained from building up a large appraisal organization. It has been able to do so because of the fact that it has had the resources of the Interstate Commerce Commission's Bureau of Valuation at its command. We have been able to limit our field force to 19 men only because we can have and have had recourse to the facilities and information in the some twenty-odd offices of your Bureau spread throughout this country. If those offices are not staffed we have to replace them. Of course, with the tempo with which this war has of necessity to be conducted we are under the urgent need of speed in the ascertainment of values, first, in justification of programs calling for the expenditure of public funds and, second, though not less important, the public duty

of making prompt and just payment for properties expropriated.

I feel very strongly on this subject. All of the men who are associated with me feel very much of the same mind—that to dry up this source of valuation information would be a wasteful and dangerous thing to do.

While I have no wish to intrude myself nor again to burden you with a long letter on the subject, I would be very glad to explain to you our valuation problem in terms of volume and amounts involved, and I believe that you would be quite convinced that any change in the relatively small number of people in your Bureau's Valuation Section would be a serious handicap to us in our land-acquisition work.

I would like to call attention further to the fact that under the new Naval Appropriation Acts all proposals for land acquisition since the 1st of March or for leasehold interests must have the prior approval of the two Naval Affairs Committees of the Congress. In the past 3 weeks, therefore, we have monopolized the time of three of your men obtaining information required by the Congress.

With this short statement and your knowledge of the complexity of naval operations throughout the country, I think you have some idea of what would be involved if your offices would be curtailed or closed. We would have to duplicate the information and duplicate the men. Neither seems advisable and either one or both would involve delays and expense to the United States.

Not the least important part of the present set-up is the independence of your appraisers and appraisal data from any suggestion of control or influence by any other Department. Our experience in court has been that by reason of their independent set-up, I. C. C. appraisers are highly respected and their opinions exceedingly valuable for the guidance of both courts and juries in determination of valuation.

Before any changes are made, in the public interest and for the good of us all in this war effort, I hope you will give me a chance to more fully explain and elaborate upon our part of this whole picture and demonstrate the effect it will have upon this organization.

Respectfully,

JOHN J. COURTNEY,
Head of Real Estate Division.

EXHIBIT 2

UNITED STATES MARITIME COMMISSION,
Washington, December 18, 1943.

Hon. CARROLL MILLER,

Member, Interstate Commerce Commission,
Washington, D. C.

DEAR MR. COMMISSIONER: It has come to the attention of the Maritime Commission that there is a possibility that the working force of the Bureau of Valuation of the Interstate Commerce Commission may be reduced. The Maritime Commission sincerely hopes that this will not come about. If this force should be reduced, we fear that it may not be possible for us during the remainder of the war period to secure from your Commission services which have been made available to us in the past and which have expedited the Maritime Commission's war effort, and have in addition been responsible for saving the Government substantial sums of money.

It is difficult in this letter to develop in detail the advantages which the Maritime Commission and the Government have secured by utilizing the specialized services of your personnel. I will, however, cite one or two instances.

In 1942 the Maritime Commission found it necessary, in order to expedite ship production and cut down production expenses, to construct a spur line of railroad at Port-

land, Maine. We did not have available on our staff a practical railroad engineer. The Interstate Commerce Commission made available to us the services of Mr. John Hansbury, who laid out the line of railway and advised us constantly and effectively in our negotiations for the construction of and operation over the spur track. Without Mr. Hansbury's help, construction of this important line of track (which is an integral part of our ship-production system at Portland) would have taken a much longer time than was actually consumed, and the resulting loss of time would have prevented ships from the two shipyards involved from being delivered at the rate they have been delivered since operation over the spur track began.

Recently it became necessary in connection with this spur track to have constructed certain switching facilities and to enter into service contracts. In connection with these matters, Mr. Hansbury's help has again expedited our work and resulted in a substantial saving of Government money.

Recently an appraisal of railroad land in California by a representative of the Bureau of Valuation of the Interstate Commerce Commission (Mr. Geisler) has enabled the Maritime Commission to secure a material reduction in rentals upon the lands in question which are utilized for ship-construction purposes.

In connection with requisition by the Maritime Commission of railroad equipment for transporting shipyard workers to and from the yards, valuation reports by Interstate Commerce Commission employees have been of particular value in determining just compensation for the property requisitioned.

The services of representatives of the Bureau of Valuation in appraising real property and machinery, in some cases leased and in others involved in condemnation cases, have been invaluable to us. In one of these cases, the property in question was an old railroad property, and it is doubtful if any private appraiser could have made as accurate an appraisal as was made by the Interstate Commerce Commission personnel.

In at least one other case, appraisals by representatives of the Bureau of Valuation (Mr. Sandford in particular) have enabled the Maritime Commission to effect substantial cuts in rentals of shipyard property.

Even more valuable perhaps than the specialized knowledge of the Interstate Commerce Commission personnel has been the fact that because your representatives are not employees of the Maritime Commission, their opinions and advices have been peculiarly effective in connection with our negotiations, and generally regarded by the private interests with which the Commission deals as emanating from a disinterested and neutral source. It is in our opinion of importance to preserve this third-party position of your employees, particularly as a number of them will doubtless be utilized during 1944 as witnesses in condemnation cases. If it becomes necessary for them to take the stand not as employees of the Interstate Commerce Commission but as Maritime Commission men, this fact will unquestionably be brought out on cross-examination, and may to a certain extent render their opinions as to values less persuasive to court or jury.

Summed up, it is the feeling of the Maritime Commission that the cutting of the personnel of your Bureau of Valuation, with the attending loss to this Commission of the services recounted, would be contrary to the best interests of that portion of the war effort being carried on by the Maritime Commission. We hope that this reduction will not come about. If it does, we feel that the Government over-all will lose money by it. The services which we have been securing from you on a most economical

basis will have to be secured elsewhere at equal or greater cost, and we believe will be less effective, with a resulting increase expense to us in certain of our activities.

Very truly yours,

THOMAS M. WOODWARD,
Commissioner.

EXHIBIT 3

UNITED STATES MARITIME COMMISSION,
Washington, February 24, 1944.

Mr. W. P. BARTEL,
Secretary, Interstate Commerce
Commission, Washington, D. C.

DEAR MR. BARTEL: Your letter of February 22, 1944, requests me to furnish the Interstate Commerce Commission with such factual data as the Maritime Commission may have with respect to the cost of appraisals made by the Bureau of Valuation of the Interstate Commerce Commission for the Maritime Commission; savings, if any, effected by the use of such appraisals; and in general the value of the work done by the Bureau of Valuation for the Maritime Commission. The information available to us is as follows:

For work done for the Maritime Commission by representatives of the Bureau of Valuation from April 21, 1942, to June 17, 1943, we have reimbursed the Interstate Commerce Commission in the amount of \$30,707.08. I am advised that we have incurred an additional cost of a few thousand dollars for further work on a project wherein the cost of full appraisals was \$7,670.34. As opposed to this cost, savings have been effected in the amount of \$36,684 by readjustment of one lease, \$4,172 on settlement for requisitioned transportation equipment, and not less than \$177,893 representing the difference between the jury verdict in a condemnation case and the lowest evidence of value submitted to the landowner, a saving of \$218,749. Further readjustment of certain leases already agreed to by lessors will reflect an annual saving of \$49,872. Readjustments of various lease obligations already agreed to by lessors should save not less than \$1,442,476. There remain pending seven cases of requisitioned equipment as to the value of which representatives of your Bureau of Valuation are particularly competent to form an opinion, wherein the claims aggregate \$1,229,922.74, and relying upon appraisals by representatives of your Bureau of Valuation, we hope to save in excess of \$528,000.

It follows from the above that these appraisals secured from you at a cost of between \$30,000 and \$40,000 reflect actual and potential savings well in excess of \$2,000,000, plus annual savings on leases of approximately \$50,000.

We have pending several important condemnation cases wherein the value of the land to be taken unquestionably exceeds in the aggregate \$1,000,000. The value of the testimony of your employees in these cases should be great, particularly in view of the fact that in every instance you have attempted to assign to our appraisal work, men well-qualified to form sound opinions as to the value of property in the particular locality involved and to support their opinions upon the witness stand.

In addition to the above, the advice of representatives of your Bureau of Valuation on technical problems of railway construction and operation has enabled us to meet our problems on an equal footing with the representatives of the railroads themselves.

I trust that the foregoing facts and figures taken from the records of the Maritime Commission are what you require, and, of course, I have no objection to the Interstate Commerce Commission placing this letter in the record if it so desires.

Sincerely yours,

E. S. LAND,
Chairman.

EXHIBIT 4

DEPARTMENT OF JUSTICE,
New Orleans, La., October 9, 1942.

Mr. A. B. MANLY,
Head Land Appraiser, Bureau of Valuation, Interstate Commerce Commission,
Washington, D. C.

DEAR MR. MANLY: The trial of the condemnation suit against the second floor of the Audubon Building ended, yesterday afternoon at 2:30 with a verdict in favor of the Government.

I cannot refrain from writing this letter to tell you how helpful the testimony of Mr. R. Tyler Price, of the Land Section, and Mr. George Douglass, of the Engineering Section, was to the Government's case. Both of these gentlemen were most cooperative and made splendid expert witnesses.

The jury verdict, which was for \$17,500 for the term taken, gives a per annum rental of \$13,278. The appraisal by Mr. Price was \$13,360 per annum. We have computed that the jury verdict varied from Mr. Price's appraisal only to the extent of 1 cent per square foot.

I consider this a remarkable testimonial to Mr. Price's ability. This case makes the third I have had with Mr. Price as a Government expert, and in each, his poise and presence as a witness was impressive, his research exhaustive and accurate.

I thought it would be gratifying to you to hear how highly I regard the two gentlemen who are in your department.

Very truly yours,

NORTON L. WISDON,
Special Attorney, Department of Justice.

EXHIBIT 5

NAVY DEPARTMENT,
BUREAU OF YARDS AND DOCKS,
Washington, D. C., January 11, 1944.

Mr. R. A. LACEY,
Director, Bureau of Valuation,
Interstate Commerce Commission,
Washington, D. C.

DEAR SIR: Recent negotiations conducted by the Navy in the leasehold acquisitions of State pier, New London, Conn., and pier 37, North River, N. Y., have directed our attention to the excellent appraisals of these properties submitted by your Bureau and prepared by your senior land appraiser, David W. Sweet.

The factual data contained in the reports were such that they reflected conditions affecting the property in a manner so clear that the negotiations were greatly facilitated. The principal strength, however, was the clear, concise discussion of the data and the logical reasoning of the appraiser in assignment of and support to his values. Mr. Sweet's work in these and the many other appraisals which he has prepared for the Navy Department has been of such character as to deserve particular notice and commendation. The wealth of his experience and knowledge of his subjects have at all times been clearly portrayed in such a manner that our negotiary activities have been materially aided.

Considerable comment has been made to personnel of this agency by members of the legal and real estate fraternity concerning Mr. Sweet's testimony before the commissioners in the Bayonne, N. J., acquisition by the Navy. These comments may be summarized by the statement of one of the commissioners hearing the case which was to the effect that Mr. Sweet's testimony evidenced complete and thorough knowledge of the property, absolute honesty in appraisal, and a reasonable and logical summation of factors, so that his valuation conclusions were considered by this commissioner as the outstanding and most worth-while evidence which tended toward this commissioner's valuation verdict.

Very truly yours,

JOHN J. COURTNEY,
By direction of Chief of Bureau.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

MR. AIKEN. Mr. President, I send to the desk an amendment which has been printed, and copies of which lie on the desks of Senators. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following new section:

SEC. —. (a) The financial transactions of every agency or corporation of the Government of the United States, or created under its authority, either directly or indirectly (including any agency or corporation the majority of the capital stock of which is owned by the Government of the United States), except as provided in subdivision (d), for which an appropriation has been or shall be hereafter made by the Congress, shall, beginning with the fiscal year 1945, be audited annually by the General Accounting Office in accordance with the principles applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. A report of such audit shall be made to the Congress, together with such recommendations as the Comptroller General may deem advisable.

(b) The expenses of such audit shall be paid from moneys advanced therefor by each such respective agency or corporation, or from any appropriation for the General Accounting Office; and any such appropriation so used shall be reimbursed promptly by such agency or corporation as billed by the Comptroller. For the purpose of such audit the representatives of the General Accounting Office shall have access to all papers, books, files, accounts, financial records, and property belonging to or under the control of any such agency or corporation and shall be afforded full facilities for verifying transactions with the balances in depositaries and with fiscal agents: *Provided*, That the certified financial reports and schedules of the fiscal agents of any such agency or corporation based on commercial audits in the usual course of business may be accepted by the General Accounting Office in its audit of the financial transactions of any such agency or corporation as final and not subject to further audit verification.

(c) Any examination of the corporate records shall be made at the place or places where the records of such agency or corporation are normally kept in the transaction of its business.

(d) The provisions of this section shall not apply to any agency or corporation of the Government the financial transactions of which are otherwise required to be audited under authority of Congress.

MR. BARKLEY. Mr. President, this amendment clearly proposes legislation on an appropriation bill, in violation of rule XVI, and I therefore make the point of order that the amendment is out of order.

MR. AIKEN. Mr. President, I concede that the amendment proposes legislation which I hope will be added to an appropriation bill. The purpose of the proposed legislation, which should be very clear to everyone, is to bring under the Comptroller General's Office, and thereby somewhat more nearly under the control of Congress, those agencies of Government which thus far have escaped being required to make to the Congress proper accounting of their funds.

I will read the names of those Corporations which now escape being audited, and therefore do not have to let Congress or the people know what they are doing with the money appropriated or given to them by a higher agency.

Allow me first to say that there are several agencies which are not required by law to be audited by the Comptroller General's Office, but many of them have voluntarily asked the Comptroller General to audit their accounts. I shall not read their names. There are approximately 30 agencies which will come in the category to which I first referred.

Banks for Cooperatives: Central Bank for Cooperatives, District Banks for Cooperatives (12); Defense Homes Corporation; Defense Plant Corporation; Defense Supplies Corporation; Disaster Loan Corporation; Federal Deposit Insurance Corporation; Federal home-loan banks (12); Federal Intermediate Credit Banks (12); Federal land banks (12); Federal National Mortgage Association; Inland Waterways Corporation; Metals Reserve Company; Panama Railroad Company; Petroleum Reserves Corporation; Production Credit Corporations (12); Reconstruction Finance Corporation; RFC Mortgage Company; regional agricultural credit corporations (2), Washington and Minneapolis; Rubber Development Corporation; Rubber Reserve Company; Steel Recovery Corporation; Tennessee Valley Associated Cooperatives, Inc.—

I do not know what that is—

Textile Foundation, Inc.; United States Commercial Company; United States Spruce Production Corporation.

This corporation has been in process of liquidation for some time, and it seems as though it were time for the corporation to be audited.

The list continues:

Virgin Islands Co.; War Damage Corporation; War Emergency Pipe Lines, Inc.; War Materials, Inc.; Warrior River Terminal Co.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DANAHER. From what is the Senator reading?

Mr. AIKEN. I am reading from a list which is shown on page 807 of the hearings on the independent offices appropriation bill for 1945, before the committee of the other House. The Senator from New Hampshire was reading from the same page only a short time ago.

The VICE PRESIDENT. In view of the fact that the Senator from Vermont has been unable to erect any screen of germaneness behind which he is hiding his proposed legislation, the Chair rules that the point of order of the Senator from Kentucky [Mr. BARKLEY] is sustained.

Mr. AIKEN. Mr. President, I move that Senate Rule XVI be suspended in order that the Senate may vote and act upon the proposed amendment at this time.

Mr. CLARK of Missouri. Mr. President, I make the point of order that the rule requires that a motion to suspend the rule be made in writing 24 hours before being presented.

The VICE PRESIDENT. The Senator from Vermont gave notice in writing on March 20.

Mr. AIKEN. Yes, the notice was given, because I expected, knowing some

of the operators of the departments downtown, objection would be made to any move to bring them under the Office of the Comptroller General.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BARKLEY. I wish to make clear, in reply to the suggestion of the Senator from Vermont, that no one downtown or uptown, or anywhere else, has suggested such a thing to me. I am seeking to preserve the rules of the Senate, and the Senator has conceded that I have the right to make the point of order. I do not see why he should attribute my action here to someone downtown. Every now and then I do something on my own accord.

Mr. AIKEN. After his wonderful display of courage a few days ago, I would not accuse the Senator from Kentucky of anything.

Mr. BARKLEY. The Senator from Vermont has implied that I made the point of order because of some operator downtown. I do not object to the auditing of any governmental agency in the United States, but I think measures affecting these agencies which have been created under various laws ought to be considered as matters of substantive legislation and not brought in under an appropriation bill in order to change the law without committee consideration.

Take, for example, the Federal Reserve banks. I do not know whether they should be audited by the General Accounting Office. The various agencies loaning money out of funds which they receive in the way of interest from farmers who borrow money and pay interest into the Treasury are audited by the Farm Credit Administration under which they are created. I think the Committee on Agriculture and Forestry would like to consider whether they ought to be audited by the General Accounting Office.

Mr. AIKEN. Mr. President, we have added a good deal of essential legislation to the independent offices appropriation bill today, but if we do not provide for auditing these different agencies, what good is it all going to do unless we know what they do with the money? This amendment would not handicap them in any way.

Mr. BARKLEY. If the Senator will yield—

Mr. AIKEN. Just a moment. The amendment does not provide for a pre-audit; it provides for an annual audit, and if the Comptroller General shall find they are mispending their money in some way, he can report to Congress.

Mr. BARKLEY. The Senator could long ago have introduced bills and had them referred to the committees which had jurisdiction over these agencies, instead of waiting until the last 5 or 10 minutes in the consideration of an appropriation bill, and now bringing the matter up and asking the Senate to vote. I am quite satisfied that if the Senator will offer bills and have them referred to the proper committees which have jurisdiction over these agencies, they will receive the consideration to which they are entitled.

Mr. AIKEN. I have not waited until the last 5 or 10 minutes. This amendment was offered last Monday, it was printed, and was on the desks of Senators Tuesday morning. I have no more waited until the last 5 or 10 minutes than has the Senator from Georgia, or the other Senators who proposed amendments which have rightfully been agreed to.

Mr. BARKLEY. Of course, the Senator brought the amendment up as soon as he could, but the point is that at the last minute, with this important appropriation bill before us, he is asking the Senate to adopt an amendment which affects the procedure of what he calls 38 different agencies, the names of some of which he has read, and as to some of which I have grave doubt in my own mind whether there is not already sufficient audit and control over them by those responsible. But I think it should be done in an orderly way, by legislation, and not by an amendment on an appropriation bill.

Mr. AIKEN. The Senator from Kentucky must know that any amendment adopted by the Senate would go to conference, and if any very great injustice would be committed that it would be corrected there. This is the time—right now—for putting these various agencies—most of them under the R. F. C.—under the control of the Comptroller General's Office, or at least in such a position that they will have to give a proper account of their funds, which will be reported to the Congress. This is the time to do that.

Mr. DANAHER. Mr. President, I ask the Senator from Vermont if, in the course of his study and preparation for this very excellent amendment, he went into the subject of the Reconstruction Finance Corporation at all.

Mr. AIKEN. I have been observing the work of the Reconstruction Finance Corporation for a long time, and I came to the conclusion a long time ago that they should be under the control of Congress to a greater degree than they are now. I have seen hundreds of millions of dollars which I have considered just thrown down rat holes.

Mr. DANAHER. With a contingent total liability of somewhere in the neighborhood of \$14,000,000,000 for the Reconstruction Finance Corporation alone, does the Senator recall that in November 1942 the R. F. C. was here asking us for an additional authorization of \$5,000,000,000 of borrowing power?

Mr. AIKEN. Yes; and the Senator will recall that it is very difficult to find out from the head of the R. F. C. where that money goes, and why it goes there, or anything about it.

Mr. DANAHER. Let me point out to the Senator that we did not give the R. F. C. that additional \$5,000,000,000 borrowing power, although the testimony was, and the representation to the Senate was, by the leadership in favor of the bill, that if we did not give the \$5,000,000,000 by that afternoon the Reconstruction Finance Corporation would fold up, and the war effort would be retarded, and everything else. But from that day to this they have not had

an increase in their borrowing power. What are they doing for money, and where are they getting it, under what circumstances are they expending it, subject to whose audit, let me ask the Senator from Vermont.

Mr. AIKEN. The Reconstruction Finance Corporation agencies hire auditing concerns to audit claims against the Government, which audit the books of the corporations making claims against the Government. The auditing concerns say they do it honestly, but they never put the same man on the books of the corporation that they put on auditing claims the corporation makes against the Government.

Mr. DANAHER. Will the Senator yield further?

Mr. AIKEN. I yield.

Mr. DANAHER. Does the Senator know what obligations the R. F. C. has incurred all through 1942 and down to this 24th day of March 1944?

Mr. AIKEN. Nobody knows, because they get other departments of Government to bail them out. They were bailed out in a shipbuilding company case, and Mr. Patterson, Under Secretary of War, said, when he appeared before the Committee on Expenditures in the Executive Department, in answer to a question of the Senator from Michigan [Mr. FERGUSON] that they had arrangements with defense plants to bail them out and take over their property. That is going on day after day in this Government. Then we hear it said that they should not be audited.

Mr. DANAHER. Mr. President, if the Senator will yield further, as I understand the Senator's contention, the Comptroller General is not permitted, under existing law, to audit the R. F. C. accounts and the accounts of its subsidiary corporations. Is that correct?

Mr. AIKEN. That is correct.

Mr. DANAHER. I thank the Senator. I am hoping he can get the two-thirds vote to suspend the rule.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Vermont to suspend the rule.

Mr. AIKEN. I ask for the yeas and nays.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MAYBANK. I wondered how long the Reconstruction Finance Corporation had not been audited by the Comptroller General.

Mr. AIKEN. So far as I know, it has never been audited. It has not been audited since I have been in Washington.

Mr. MAYBANK. When was it created?

Mr. AIKEN. I do not recall.

Mr. BARKLEY. It was created about 1930.

Mr. MAYBANK. If my memory serves me correctly, long, long ago, in the Hoover administration.

Mr. BARKLEY. It was created in 1930 or 1931.

Mr. MAYBANK. It was quite active in distributing relief money, was it not?

Mr. BARKLEY. Yes, it was quite active at that time. The R. F. C. is audited by auditors. It is not audited by the Comptroller General, and Congress has

never required that it should be, because the activities of the R. F. C. are such that when they pass upon a loan, especially loans such as those they have been making to business for 12 or 14 years, the loans have to go through their board of directors, and if they had to delay their activities in coming to the relief of business by having the General Accounting Office pass upon their loans, they could not afford the relief required.

Mr. CLARK of Missouri. Mr. President—

The VICE PRESIDENT. The Senator from Vermont has the floor.

Mr. MAYBANK. I was just wondering why, after 14 years—

Mr. AIKEN. I do not know when they were organized or authorized, and I do not care what administration was in power when they were organized. They should have been required to be audited when they were created. As the Senator from Kentucky says, they are audited, but they are audited by concerns which they hire and pay themselves, and the results of the audits are not submitted to the Congress, so far as I know.

I ask for the yeas and nays on the motion.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). Making the same announcement as previously, I withhold my vote.

The roll call was concluded.

Mr. BRIDGES (after having voted in the affirmative). I have a general pair with the Senator from Utah [Mr. THOMAS]. Not knowing how he would vote I transfer that pair to the Senator from Illinois [Mr. BROOKS], and let my vote stand.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. WALSH] is absent attending a funeral.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Washington [Mr. BONE] and the Senator from Utah [Mr. THOMAS] are detained in Government departments on matters pertaining to their respective States.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM], the Senator from New York [Mr. MEAD], the Senator from Utah [Mr. MURDOCK], the Senator from

Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senators from North Carolina [Mr. BAILEY and Mr. REYNOLDS], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

The Senator from Indiana [Mr. JACKSON] is absent on official business.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT].

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The yeas and nays resulted—yeas 33, nays 19, as follows:

YEAS—33

Aiken	Davis	Thomas, Idaho
Austin	Holman	Tunnell
Ball	Johnson, Colo.	Vandenberg
Brewster	La Follette	Walsh, Mass.
Bridges	Langer	Weeks
Buck	McKellar	Wheeler
Burton	Maloney	Wherry
Bushfield	Millikin	White
Butler	Reed	Wiley
Capper	Robertson	Willis
Danaher	Shipstead	Wilson

NAYS—19

Andrews	Eastland	O'Mahoney
Bankhead	George	Radcliffe
Barkley	Gerry	Smith
Chandler	Hill	Stewart
Clark, Mo.	McClellan	Wagner
Connally	McFarland	
Downey	Maybank	

NOT VOTING—44

Bailey	Gurney	Overtton
Bilbo	Hatch	Pepper
Bone	Hawkes	Revercomb
Brooks	Hayden	Reynolds
Byrd	Jackson	Russell
Caraway	Johnson, Calif.	Scrugham
Chavez	Kilgore	Taft
Clark, Idaho	Lucas	Thomas, Okla.
Cordon	McCarran	Thomas, Utah
Ellender	Mead	Tobey
Ferguson	Moore	Truman
Gillette	Murdock	Tydings
Glass	Murray	Wallgren
Green	Nye	Walsh, N. J.
Guffey	O'Daniel	

The VICE PRESIDENT. On this vote the yeas are 33, the nays 19. Two-thirds of the Senators present not having voted in the affirmative—

At this point Mr. REVERCOMB entered the Chamber and voted "yea."

The VICE PRESIDENT. The Chair is informed that according to senatorial custom, after the announcement has been made it is impossible to—

Mr. BRIDGES. The Chair had not finished the announcement.

Mr. BARKLEY. Mr. President, the Chair had undoubtedly made the announcement.

The VICE PRESIDENT. The Chair had not completed his statement, however.

Mr. CLARK of Missouri. The Chair had announced the vote, though.

The VICE PRESIDENT. The Chair had announced the number, but had not completed the statement.

Mr. BARKLEY. It does not affect the result anyway. I ask unanimous consent that the Senator from West Virginia be permitted to vote inasmuch as it does not change the result.

The VICE PRESIDENT. Without objection, it is so ordered.

On this vote the yeas are 34, the nays are 19. Two-thirds of the Senators present not having voted in the affirmative, the motion to suspend rule XVI is not agreed to.

The bill is open to further amendment.

If there are no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall the bill pass?

The bill H. R. 4070 was passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. GLASS, Mr. RUSSELL, Mr. TRUMAN, Mr. GREEN, Mr. McKELLAR, Mr. BRIDGES, and Mr. WHITE conferees on the part of the Senate.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1767 to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, which had been reported from the Committee on Finance, with amendments.

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Finance.

The first committee amendment was, in title I, under the heading "Chapter 1—hospitalization, claims, and procedures," in section 100, page 2, line 5, after the words "to be an", to strike out "agency of the United States vital and essential to the successful prosecution of the present war, and as such agency the Veterans' Administration shall be" and to insert "essential war agency and."

The amendment was agreed to.

The next amendment was, in section 104, on page 4, line 16, after the word

"no", to strike out "wounded, diseased, or handicapped"; in line 18, after the word "service", to insert "on account of disability"; and in line 24, after the word "care", to insert "nor preclude the discharge of any person who refuses to sign such claim or statement."

The amendment was agreed to.

The next amendment was, in section 105, on page 5, line 1, after the word "forces", to strike out "suffering from disease or injury"; in line 4, after the word "of", to strike out "such" and insert "any"; in the same line, after the word "injury", to insert "he may have"; and in line 5, after the word "against", to strike out "the interest of such person" and insert "his own interest."

The amendment was agreed to.

The next amendment was, in section 200, on page 6, line 6, after the word "Navy", to strike out "in conjunction" and insert "jointly."

The amendment was agreed to.

The next amendment was, in section 300, on page 7, line 8, after the word "That", to strike out "in any case to which this section applies the surrender value, if any, of" and insert "this section shall not apply to"; and in line 11, after the word "policy" to strike out "at the time of forfeiture shall be payable to the insured if living, or, if the insured die before such payment, to the designated beneficiary."

The amendment was agreed to.

The next amendment was, in section 301, on page 7, line 23, after the words "court martial", to strike out the comma and the words "and except, in the case of officers, denial of retirement with pay"; and on page 8, line 14, after the words "court martial" to strike out "and except, in the case of officers, denial of retirement with pay."

The amendment was agreed to.

The next amendment was, in title II, under the heading "Chapter IV—Education of Veterans," in section 400, on page 9, line 7, after the word "under", to strike out "honorable"; in line 8, after the word "conditions", to insert "other than dishonorable"; and in line 13, after the word "disability", to strike out the colon and the following: "And provided further, That the education or training of such person was interrupted or prevented by such service, or such person requires a refresher or retraining course in no event to exceed 1 year, to fit him for employment or profession."

The amendment was agreed to.

The next amendment was, on page 10, line 13, after the word "Navy", to insert "the Secretary of Agriculture"; in line 16, after the word "and", to strike out "six" and insert "eight"; in line 18, after the word "Affairs", to strike out "at least four of whom shall be recognized leaders in the field of education," and insert "who shall be recognized leaders in the fields of education, labor, agriculture, and industry."

The amendment was agreed to.

The next amendment was, on page 11, line 23, after the numeral "6", to strike out "A" and insert "Except as to a refresher or retraining course, a," and on page 12, line 14, after the word "ob-

tained", to insert "Subject to the above limitations, any person who has not completed his course of education or training but has satisfactorily completed his first year, shall be eligible and entitled to continue his course of education or training until he has completed the same, provided his work continues satisfactorily throughout the remaining period."

The amendment was agreed to.

The next amendment was, on page 15, line 5, after the word "thereof", to strike out "(a) for the purpose of advising and assisting in selecting those persons who shall be entitled to receive a further period of education or training as provided for in this part or (b)"; and on page 16, line 7, after the word "part", to add the following proviso: "Provided, That whenever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, the Administrator shall, whenever possible, utilize such existing facilities and services in training on the job when such training is of 1 year's duration or more."

The amendment was agreed to.

The next amendment was, on page 17, line 4, after the word "education", to insert "or any State apprenticeship agency"; in line 6, after the words "council", to strike out "of" and insert "or."

The amendment was agreed to.

The next amendment was, on page 18, line 2, after the numerals "VII", to strike out "All payments under the Mustering-Out Payment Act of 1944 received by any person during the time that such person is receiving education or training under the provisions of this part shall be offset by suspension of equal amounts of subsistence allowance, which suspended amounts may be paid after completion of education or training hereunder."

The amendment was agreed to.

The next amendment was, on page 18, line 12, after the word "agency", to strike out "or State apprenticeship agency."

The amendment was agreed to.

The next amendment was, on page 19, line 17, in section 403, after "403", to strike out "Paragraph" and insert "Subsection (f) of section 1, title I, Public, No. 2, Seventy-third Congress, and paragraph"; in line 21, after "1943", to strike out "is" and insert "are"; in line 22, after the word "the", to strike out "date" and insert "dates 'December 7, 1941' and"; and in line 23, after "1941", to strike out "in the first sentence thereof."

The amendment was agreed to.

The next amendment was, in title III, under the heading "Loans for the purchase or construction of homes, farms, and business property" in section 501, on page 22, line 21, after the word "paid", to strike out "and" and insert "or"; on page 23, line 2, after the words "purpose of", to insert "making repairs, alterations, or improvements in, or"; in line 4, after the word "special", to strike out "assessments, on" and insert "assessments on"; in line 5, after the word "purchased", to strike out "for a home" and insert "or owned"; in the same line after the word "veteran", to insert "and used by him as a home," and in line 7, after

the word "subsection", to strike out "(d)" and insert "(d)".

The amendment was agreed to.

The next amendment was, in section 502, on page 24, line 1, after the word "implements", to insert "or in repairing, altering, or improving any buildings."

The amendment was agreed to.

The next amendment was, in title IV, under the heading "Chapter VI—Employment of veterans," in section 601, on page 27, line 15, after the word "Board", to insert "in accordance with the civil-service laws, and whose compensation shall be fixed"; and in line 16, after the words "with the", to strike out "civil service."

The amendment was agreed to.

The next amendment was, in section 604, on page 29, line 12, after the word "functions", to insert "the Federal agency administering the United States Employment Service shall maintain that service as an operating entity, and, during the period of its administration, shall effectuate the provisions of this title."

The amendment was agreed to.

The next amendment was, in section 605, on page 30, line 6, after the word "this", to strike out "act" and insert "title."

The amendment was agreed to.

The next amendment was, in title V, under the heading "Chapter VII—Readjustment allowances for former members of the armed forces who are unemployed," in section 800, on page 33, line 15, after the word "or", to strike out "indirectly" and insert "directly"; in line 24, after the words "branches of", to strike out "work" and insert "work, which"; in line 25, after the word "separate", to strike out "premises or" and insert "premises"; on page 34, line 6, after the word "provisions" to strike out "of paragraph (1)"; in line 10, after the word "weeks", to strike out:

In addition, the 24-month period within which he might otherwise be eligible to receive readjustment allowances shall be reduced by the number of weeks for which the claimant shall have been disqualified.

(2) If a claimant is disqualified under the provisions of paragraph (2) or (3) of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for all subsequent weeks until he has had substantially full-time employment for wages for a period of 2 weeks, or in the event of any subsequent disqualification, the Administrator may prescribe a longer period of such employment, not to exceed 4 weeks.

The amendment was agreed to.

The next amendment was, on page 34, at the beginning of line 23, to strike out "(3)" and insert "(2)"; in line 25, after the words "provisions of", to strike out "paragraph (1) of"; on page 35, line 1, after the word "section", to strike out "impose the disqualification provided in paragraph (2) above, when in the estimate of the Administrator such additional disqualification is in furtherance of the purposes of this act" and insert "extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed 8 additional weeks in the case of any one disqualification."

The amendment was agreed to.

The next amendment was, on page 35, line 21, after "(2)", to strike out "No" and insert "In determining under subsection (a) of this section the suitability of work, no"; and in line 23, after the word "suitable", to insert "for an individual."

The amendment was agreed to.

The next amendment was, in section 1102, on page 42, line 10, after the word "agency", to insert "or other such agency as may be designated by the Administrator"; in line 12, after the word "Administrator", to strike out "located in each State participating in the administration of this title"; in line 14, after the word "final", to strike out "appellate"; in line 14, after the word "contested", to strike out "claims arising in such State. The decision of the representative shall be subject to review by" and to insert "claims, subject to appeal."

The amendment was agreed to.

The next amendment was, in title VI, under "Chapter XVI—General Administrative and Penal Provisions", in section 1602, on page 45, line 16, after the word "Act", to insert "unless the context otherwise requires", and in line 18, after the word "feminine", to insert "and the term 'Administrator' means the Administrator of Veterans' Affairs."

The amendment was agreed to.

The next amendment was, on page 45, to add a new section, as follows:

SEC. 1603. A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this act or Public Law No. 2, Seventy-third Congress, as amended.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. WALSH of Massachusetts. Mr. President, a short time ago I gave the Senator from Missouri [Mr. CLARK] a letter which I received from Admiral Jacobs, head of the Bureau of Personnel of the Navy. In his letter the admiral called attention to the fact that the language in this bill permits the benefits under it to be extended to persons in the Army and the Navy and the Coast Guard who have been given bad conduct discharges and undesirable discharges, and he objects to that class of discharges being given the benefit of this proposed legislation. Will the Senator from Missouri explain why these groups are included in the provisions of this bill?

Mr. CLARK of Missouri. Mr. President, let me say that I am very familiar with the objections raised by Admiral Jacobs. In my opinion, they are some of the most stupid, short-sighted objections which could possibly be raised. They were objections which were considered very carefully both in the subcommittee on veterans' affairs of the Finance Committee and in the full committee itself. The issue revolves around the question whether we should say, as Admiral Jacobs recommends, that a man must have received an honorable discharge or whether we should say, as the Senate bill provides, "under conditions other than dishonorable conditions."

The point to the whole matter is that in the Army there are what are known as blue discharges, discharges with-

out honor. Such a discharge is not an honorable discharge. It may be issued to men who have had no particular fault other than except, for instance, misstatements about age. A boy may have lied a little about his age, in order to get into the Army. He may have said he was 18 years old, when as a matter of fact he was only 16 or 17 years old. If his father or mother come to the Army, and say, "You cannot keep this boy; he lied about his age, in order to get into the Army," the commanding officer has no recourse other than to discharge him. If he discharges him, he cannot give him an honorable discharge. Under the regulations, he is bound to give him what is called a blue discharge, a discharge without honor.

In the present war, contrary to what occurred during the last war, I understand that in many cases the Army is giving blue discharges, namely, discharges without honor, to those who have had no fault other than that they have not shown sufficient aptitude toward military service. I say that when the Government drafts a man from civil life and puts him in the military service—most of the cases we are now discussing as to aptitude involve older men—and thereafter, because the man does not show sufficient aptitude, gives him a blue discharge, or a discharge without honor, that fact should not be permitted to prevent the man from receiving the benefits which soldiers generally are entitled to.

Mr. President, in the last war I knew a boy who was my own orderly. He had lied about his age in order to get into the Army. He was only 16 years old when he enlisted. He had sworn he was 18 years old. His parents came to the camp and said they were going to take him out. The boy came to me and said, "Colonel, don't let them take me out. I would never be able to hold up my head again in this world." I told the boy's father and mother, "Of course, I am bound to discharge this boy if you say so. But I would have to give him a blue discharge."

The father, who was a very prominent man in northern Missouri, said, "What is that?"

I said, "That is a discharge without honor, a very different thing from an honorable discharge."

He said, "Let me talk to my wife about it."

In a couple of hours they came back, crying, and said they wanted the boy to stay in.

If they had taken that boy out of the Army, I do not think he should have been penalized. He had been in the Army a year and had been an excellent soldier. I do not think he should have been penalized because he had been so eager to serve his country that he was willing to do a little fabricating about his age in order to get into the Army.

Mr. President, in the committee we amended this provision in order to give the Veterans' Administration some discretion in the matter. The Veterans' Administration pointed out that as the bill was originally drafted, in the use of the words "other than dishonorable discharge," we opened up the opportunity to such persons as fellows "going over

78TH CONGRESS
2D SESSION

H. R. 4070

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1944

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the Execu-
- 5 tive Office and sundry independent executive bureaus, boards,
- 6 commissions, and offices, for the fiscal year ending June 30,
- 7 1945, namely:

1 TITLE I

2 EXECUTIVE OFFICE OF THE PRESIDENT

3 COMPENSATION OF THE PRESIDENT AND VICE PRESIDENT

4 For compensation of the President of the United States,
5 \$75,000.

6 For compensation of the Vice President of the United
7 States, \$15,000.

8 THE WHITE HOUSE OFFICE

9 Salaries: For personal services in the office of the Pres-
10 ident, including the Secretary to the President, two addi-
11 tional secretaries to the President and six administrative
12 assistants to the President at \$10,000 each; \$256,431: *Pro-*
13 *vided*, That employees of the executive departments and other
14 establishments of the executive branch of the Government
15 may be detailed from time to time to the office of the Presi-
16 dent of the United States for such temporary assistance as
17 may be deemed necessary.

18 Contingent expenses: For contingent expenses of The
19 White House Office, including stationery, record books, tele-
20 grams, telephones, books for library, furniture and carpets
21 for offices, automobiles, expenses of garage, including labor,
22 special services, and miscellaneous items to be expended in
23 the discretion of the President, \$50,000.

24 For printing and binding, \$2,700.

25 Traveling expenses: For traveling and official enter-

1 tainment expenses of the President of the United States, to
 2 be expended in his discretion and accounted for on his
 3 certificate solely, \$30,000.

4 EXECUTIVE MANSION AND GROUNDS

5 For the care, maintenance, repair and alteration, re-
 6 furnishing, improvement, heating and lighting, including
 7 electric power and fixtures of the Executive Mansion and
 8 the Executive Mansion grounds, and traveling expenses, to
 9 be expended as the President may determine, notwithstand-
 10 ing the provisions of any other Act, \$150,000.

11 BUREAU OF THE BUDGET

12 Salaries and expenses: For all expenses necessary for
 13 the work of the Bureau of the Budget, including personal
 14 services in the District of Columbia and elsewhere, contract
 15 stenographic reporting services, traveling expenses, includ-
 16 ing expenses of attendance at meetings when necessary in
 17 furthering the work of the Bureau of the Budget, lawbooks,
 18 books of reference, (1)periodicals and newspapers (not ex-
 19 ceeding \$500) and periodicals, (2)teletype news service,
 20 maintenance, repair, and operation of three passenger-carry-
 21 ing automobiles for official use, (3)and not to exceed \$55,000
 22 for temporary employment of persons or organizations by
 23 contract or otherwise without regard to section 3709 of the
 24 Revised Statutes, or the Classification Act of 1923, as

1 amended, ~~(4)\$2,290,340 \$1,830,400 (5)~~, of which \$14,940
 2 shall be allocated to the Federal Board of Hospitalization.

3 For printing and binding, \$52,000.

4 National defense activities: For all necessary expenses
 5 of the Bureau of the Budget in the performance of activities
 6 relating to the national defense, including all the objects
 7 for which the appropriation "Salaries and expenses, Bureau
 8 of the Budget" is available ~~(6)~~, and including the temporary
 9 employment ~~(not exceeding \$65,000)~~ of persons or
 10 organizations by contract or otherwise, without regard
 11 to section 3709 of the Revised Statutes and the Classification
 12 Act of 1923, as amended; the employment of persons, includ-
 13 ing State, county, or municipal officers and employees, with
 14 or without compensation; and the payment of actual trans-
 15 portation and other necessary expenses and not to exceed
 16 \$10 per diem in lieu of subsistence of persons serving, while
 17 away from their homes without other compensation from
 18 the United States, in an advisory capacity to the Bureau,
 19 \$879,800: ~~(7)~~: *Provided, That upon the expiration of*
 20 *sixty days after the cessation of hostilities between the United*
 21 *States and the principal enemy powers or after the date of*
 22 *an armistice between the United States and the principal*
 23 *enemy powers, this appropriation shall cease to be available*
 24 *for obligations unless Congress shall otherwise provide by law.*
 25 ~~(8)~~ *No part of the appropriations herein made to the Bureau*

1 *of the Budget shall be used for the maintenance or establish-*
2 *ment of regional, field, or any other offices outside the Dis-*
3 *trict of Columbia.*

4 INDEPENDENT ESTABLISHMENTS

5 AMERICAN BATTLE MONUMENTS COMMISSION

6 For all expenses necessary for the work of the Ameri-
7 can Battle Monuments Commission authorized by the Act
8 of March 4, 1923 (36 U. S. C. 121-138), and by Execu-
9 tive Order Numbered 6614 of February 26, 1934, including
10 the acquisition of land or interest in land in foreign countries
11 for carrying out the purposes of said Act and Executive
12 Order without submission to the Attorney General of the
13 United States under the provisions of section 355 of the
14 Revised Statutes (34 U. S. C. 520; 40 U. S. C. 255);
15 employment of personal services in the District of Columbia
16 and elsewhere; purchase and repair of uniforms for caretakers
17 of national cemeteries and monuments in Europe at a cost
18 not exceeding \$500; travel expenses; rent of office and
19 garage space in foreign countries which may be paid for
20 in advance; the maintenance, repair, and operation of motor-
21 propelled passenger-carrying vehicles which may be fur-
22 nished to the Commission by other departments of the
23 Government or acquired by purchase; printing, binding,
24 engraving, lithographing, photographing, and typewriting,
25 including the publication of information concerning the

1 American activities, battlefields, memorials, and cemeteries
2 in Europe; transfer of household goods and effects as pro-
3 vided by the Act of October 10, 1940, and regulations
4 promulgated thereunder, and, when ordered or approved
5 by the Commission, expenses of travel of dependents of
6 employees when transferred from one official station to an-
7 other, and the temporary transfer of employees by the
8 Commission between places in foreign countries or between
9 foreign countries and the United States, including transfers
10 incident thereto, or, in the case of new appointments, trans-
11 fer from place of appointment, may, if ordered or approved
12 by the Commission, be regarded as a transfer from one offi-
13 cial station to another for permanent duty for the purpose
14 of authorizing the payment of travel of dependents and for
15 the purposes of said Act of October 10, 1940, and regula-
16 tions promulgated thereunder; and the purchase of maps,
17 textbooks, newspapers and periodicals; \$41,785: *Provided*,
18 That notwithstanding the requirements of existing laws or
19 regulations, and under such terms and conditions as the
20 Commission may in its discretion deem necessary and proper,
21 the Commission may contract for work, supplies, materials,
22 and equipment in Europe and engage, by contract or other-
23 wise, the services of architects, firms of architects, and other
24 technical and professional personnel: *Provided further*, That
25 when traveling on business of the Commission, officers of

1 the Army serving as members or as secretary of the Com-
 2 mission may be reimbursed for expenses as provided for
 3 civilian members of the Commission: *And provided further,*
 4 That the Commission may delegate to its chairman, secre-
 5 tary, or officials in charge of either its Washington or Paris
 6 offices, under such terms and conditions as it may prescribe,
 7 such of its authority as it may deem necessary and proper.

8 CIVIL SERVICE COMMISSION

9 Salaries and expenses: For all expenses necessary for
 10 the work of the Civil Service Commission, including personal
 11 services in the District of Columbia; not to exceed (9)\$5,000
 12 \$2,500 for employment of expert examiners not in the Fed-
 13 eral service on special subjects for which examiners within the
 14 service are not available; medical examinations; contract sten-
 15 ographic reporting services; traveling expenses, including
 16 those of examiners acting under the direction of the Commis-
 17 sion, and expenses of examinations and investigations held in
 18 Washington and elsewhere, including not to exceed \$5,000 for
 19 expenses of attendance at meetings of organizations concerned
 20 with the work of the Commission; witness fees and mile-
 21 age, including fees to deponents and persons taking deposi-
 22 tions, at rates paid in the courts of the United States; rental
 23 of equipment; laundry service; not to exceed \$10,000 for
 24 purchase and exchange of lawbooks, books of reference, news-
 25 papers, and periodicals; not to exceed \$200 for payment in

1 advance for library membership in societies whose publications
 2 are available to members only or to members at a price lower
 3 than to the general public; charts; ~~(10) purchase~~, maintenance,
 4 and repair of motortrucks, motorcycles, and bicycles; not to
 5 exceed \$217,000 for printing and binding; ~~(11)\$6,056,473~~
 6 \$5,766,000, of which not to exceed \$100,000 shall be avail-
 7 able for reimbursement to the Veterans' Administration for
 8 services rendered the Commission in connection with physical
 9 examinations of applicants for and employees in the Federal
 10 classified service; not to exceed ~~(12)\$113,000~~ \$90,000 for
 11 performing the duties imposed upon the Civil Service Com-
 12 mission by the Act of July 19, 1940 (54 Stat. 767); and
 13 not to exceed \$3,000 for actuarial services by contract, with-
 14 out regard to section 3709, Revised Statutes: *Provided*,
 15 That no details from any executive department or inde-
 16 pendent establishment in the District of Columbia or else-
 17 where to the Commission's central office in Washington or
 18 to any of its regional offices shall be made during the fiscal
 19 year ending June 30, 1945, but this shall not affect the
 20 making of details for service as members of the boards
 21 of examiners outside the immediate offices of the regional
 22 directors, nor shall it affect the making of details of per-
 23 sons qualified to serve as expert examiners on special sub-
 24 jects: *Provided further*, That the Civil Service Commission

1 shall have power in case of emergency to transfer or detail
2 any of its employees to or from its office or field force.

3 Salaries and expenses, national defense: For all necessary
4 expenses of the Civil Service Commission in connection with
5 the recruitment and placement of civilian personnel required
6 in connection with emergencies affecting the national security
7 and defense, including personal services in the District of
8 Columbia, traveling expenses; and other items otherwise
9 properly chargeable to appropriations of the Civil Service
10 Commission for salaries and expenses and not to exceed \$50,-
11 000 for printing and binding, (13) ~~\$12,995,504~~ \$8,840,000:
12 *Provided*, That upon the expiration of sixty days after the
13 cessation of hostilities between the United States and the
14 principal enemy powers or after the date of an armistice
15 between the United States and the principal enemy powers,
16 this appropriation shall cease to be available for obligations
17 unless Congress shall otherwise provide by law.

18 (14) *No part of the appropriations herein made to the Civil*
19 *Service Commission shall be available for the salaries and*
20 *expenses of the Legal Examining Unit in the Examining*
21 *and Personnel Utilization Division of the Commission,*
22 *established pursuant to Executive Order Numbered 9358 of*
23 *July 1, 1943.*

1 CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

2 For financing of the liability of the United States,
3 created by the Act entitled "An Act for the retirement of
4 employees in the classified civil service, and for other pur-
5 poses", approved May 22, 1920, and Acts amendatory
6 thereof (38 U. S. C. 11), \$194,500,000, which amount shall
7 be placed to the credit of the "civil-service retirement and
8 disability fund".

9 CANAL ZONE RETIREMENT AND DISABILITY FUND

10 For financing of the liability of the United States,
11 created by the Act entitled "An Act for the retirement of
12 employees of the Panama Canal and the Panama Railroad
13 Company, on the Isthmus of Panama, who are citizens of the
14 United States", approved March 2, 1931, and Acts
15 amendatory thereof (48 U. S. C. 1371n), \$1,177,000,
16 which amount shall be placed to the credit of the "Canal
17 Zone retirement and disability fund".

18 ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

19 For financing of the liability of the United States created
20 by the Act entitled "An Act for the retirement of employees
21 of the Alaska Railroad, Territory of Alaska, who are citizens
22 of the United States", approved June 29, 1936 (49 Stat.
23 2017), \$175,000, which amount shall be placed to the
24 credit of the "Alaska Railroad retirement and disability
25 fund."

1 FEDERAL COMMUNICATIONS COMMISSION

2 Salaries and expenses: For salaries and expenses of the
3 Federal Communications Commission in performing the
4 duties imposed by the Communications Act of 1934, ap-
5 proved June 19, 1934 (48 Stat. 1064), the Ship Act of
6 1910, approved June 24, 1910, as amended (46 U. S. C.
7 484-487), the International Radiotelegraphic Convention
8 (45 Stat., pt. 2, p. 2760), Executive Order Numbered
9 3513, dated July 9, 1921, as amended under date of June
10 30, 1934, relating to applications for submarine cable li-
11 censes, and the radiotelegraphy provisions of the Conven-
12 tion for Promoting Safety of Life at Sea, ratified by the
13 President July 7, 1936, including personal services, con-
14 tract stenographic reporting services, rental of quarters,
15 newspapers, periodicals, reference books, lawbooks, special
16 counsel fees, supplies and equipment, improvement and care
17 of grounds and repairs to buildings (not to exceed \$5,000),
18 ~~(15) purchase (not to exceed seven)~~, maintenance, operation,
19 and repair of motor-propelled passenger-carrying vehicles
20 for official use in the field, travel expenses ~~(16)~~*not to exceed*
21 *\$39,000*, including not exceeding \$1,000 for expenses of
22 attendance at meetings which in the discretion of the Com-
23 mission are necessary for the efficient discharge of its re-
24 sponsibilities, reimbursement to ships of the United States
25 for charges incurred by such ships in transmitting infor-

1 mation in compliance with section 357 of the Communica-
 2 tions Act of 1934, as amended, ~~(17)\$2,209,000~~ \$2,000,000,
 3 of which amount not to exceed \$1,341,000 may be expended
 4 for personal services in the District of Columbia, including
 5 compensation of employees of the Interdepartment Radio
 6 Advisory Committee.

7 Printing and binding: For printing and binding for
 8 the Federal Communications Commission, \$16,700.

9 Salaries and expenses, national defense: For all ex-
 10 penses necessary to enable the Federal Communications Com-
 11 mission, without regard to section 3709 of the Revised
 12 Statutes, to perform its functions related to national defense,
 13 including radio monitoring and foreign broadcast analysis,
 14 including all of the items of expenditure for which the ap-
 15 propriation "Salaries and expenses, Federal Communications
 16 Commission", is available and not to exceed \$9,000 for salary
 17 of Director of the Foreign Broadcast Intelligence Service;
 18 ~~(18)not to exceed twenty passenger-carrying automobiles;~~
 19 not to exceed \$40,000 for the temporary employment
 20 of persons or organizations, by contract or otherwise,
 21 without regard to the civil service and classification laws
 22 and, in the case of language or other experts, without regard
 23 to any requirements of this Act with respect to citizenship,
 24 where citizens qualified to perform such work are not avail-
 25 able; and not to exceed \$24,200 for printing and binding,

1 ~~(19)\$4,491,143~~ \$4,191,143: *Provided*, That upon the expi-
 2 ration of sixty days after the cessation of hostilities between
 3 the United States and the principal enemy powers or after
 4 the date of an armistice between the United States and the
 5 principal enemy powers, this appropriation shall cease to
 6 be available for obligations unless Congress shall otherwise
 7 provide by law.

8 FEDERAL POWER COMMISSION

9 SALARIES AND EXPENSES

10 For all expenses necessary for the work of the Federal
 11 Power Commission as authorized by law except for the work
 12 authorized by the Act of June 28, 1938, authorizing the
 13 construction of certain public works on rivers and harbors
 14 for flood control, and for other purposes (33 U. S. C.
 15 701a), including traveling expenses; expenses of attendance
 16 at meetings which in the discretion of the Commission are
 17 necessary for the efficient discharge of its responsibilities;
 18 contract stenographic reporting services; ~~(20)purchase (not~~
 19 ~~to exceed \$3,000)~~, hire, maintenance, repair, and operation
 20 of motor-propelled passenger-carrying vehicles, including not
 21 more than one such vehicle for general administrative use
 22 in the District of Columbia; and not exceeding \$5,000 for
 23 purchase and exchange of lawbooks, books of reference,
 24 newspapers, and periodicals, ~~(21)\$2,000,000~~ \$1,997,000; of
 25 which amount not to exceed \$1,175,000 shall be available

1 for personal services in the District of Columbia exclusive
2 of not to exceed \$10,000, which may be expended for con-
3 sultants and special counsel.

4 Flood-control surveys: For all expenses necessary for
5 the work of the Federal Power Commission as authorized
6 by the provisions of the Act of June 28, 1938 (52 Stat.
7 1215), including travel expenses; contract stenographic re-
8 porting services; \$144,500, of which amount not to exceed
9 \$95,000 shall be available for personal services in the Dis-
10 trict of Columbia.

11 National defense activities: For all necessary expenses
12 (except printing and binding) to enable the Federal Power
13 Commission to perform additional activities in connection
14 with the national security and defense, including activities
15 under the provisions of the Federal Power Act, activities
16 under Executive Order Numbered 9165 dated May 19,
17 1942, and activities for the protection of the electric power
18 supply against hostile acts, such expenses to include all items
19 of expenditure for which the appropriations under the head-
20 ing "Salaries and expenses, Federal Power Commission",
21 are available, \$600,000: *Provided*, That the Commission
22 may make expenditures in addition to the foregoing, for
23 duties connected with the national security and defense,
24 from other appropriations available to it: *Provided*, That
25 upon the expiration of sixty days after the cessation of hos-

1 tilities between the United States and the principal enemy
 2 powers or after the date of an armistice between the United
 3 States and the principal enemy powers, this appropriation
 4 shall cease to be available for obligations unless Congress
 5 shall otherwise provide by law.

6 For all printing and binding for the Federal Power
 7 Commission, including engraving, lithographing, and photo-
 8 lithographing, ~~(22)\$30,000~~ \$25,000.

9 FEDERAL TRADE COMMISSION

10 For salaries and expenses of the Federal Trade Com-
 11 mission, including personal services in the District of Colum-
 12 bia; contract stenographic reporting services; supplies and
 13 equipment, lawbooks, books of reference, periodicals, garage
 14 rentals; traveling expenses, including not to exceed \$900
 15 for expenses of attendance, when specifically authorized by
 16 the Commission, at meetings concerned with the work of
 17 the Federal Trade Commission; newspapers not to exceed
 18 \$500, foreign postage, and witness fees and mileage in
 19 accordance with section 9 of the Federal Trade Commission
 20 Act; ~~(23)\$2,011,070~~ \$1,978,707, of which not less than
 21 \$172,410 shall be available for the enforcement of the Wool
 22 Products Labeling Act: *Provided*, That no part of the
 23 funds appropriated herein for the Federal Trade Commission
 24 shall be expended upon any investigation hereafter provided
 25 by concurrent resolution of the Congress until funds are

1 appropriated subsequently to the enactment of such resolution
2 to finance the cost of such investigation.

3 For all printing and binding for the Federal Trade
4 Commission, ~~(25)\$48,900~~ \$43,000.

5 FEDERAL WORKS AGENCY

6 OFFICE OF THE ADMINISTRATOR

7 Salaries and expenses: For salaries and expenses in the
8 Office of the Administrator in the District of Columbia, in-
9 cluding the salary of a general counsel at \$10,000 per an-
10 num; printing and binding (not to exceed \$4,000); actual
11 transportation and other expenses and not to exceed \$10
12 per diem in lieu of subsistence to persons serving, while away
13 from their homes without other compensation from the
14 United States, in an advisory capacity to the Administrator;
15 purchase (including exchange) of lawbooks and other books
16 of reference, purchase of newspapers and periodicals (not to
17 exceed \$150); preparation, shipment, and installation of
18 photographic displays, exhibits, and other descriptive ma-
19 terials; travel expenses; not to exceed \$1,500 for expenses
20 of attendance, when specifically authorized by the Adminis-
21 trator, at meetings or conventions relating to the work of the
22 Agency; not to exceed \$4,000 for the temporary employ-
23 ment of persons or organizations by contract or otherwise,
24 for special services determined by the Administrator to be
25 necessary, without regard to section 3709 of the Revised

1 Statutes, and civil service and classification laws, \$331,752:
2 *Provided*, That the Federal Works Administrator may, under
3 such rules and regulations as he shall prescribe, authorize
4 the Commissioner of Public Roads and the Commissioner
5 of Public Buildings to make appointments of personnel for
6 such administrations.

7 PUBLIC BUILDINGS ADMINISTRATION

8 For carrying into effect the provisions of the Public
9 Buildings Acts, as provided in section 6 of the Act of May
10 30, 1908 (31 U. S. C. 683), and for the repair, preserva-
11 tion, and upkeep of all completed public buildings under the
12 control of the Federal Works Agency, the mechanical
13 equipment and the grounds thereof, and sites acquired for
14 buildings, and for the operation of certain completed and
15 occupied buildings under the control of the Federal Works
16 Agency, including furniture and repairs thereof, but ex-
17 clusive, with respect to operation, of buildings of the United
18 States Coast Guard, of hospitals, quarantine stations, and
19 other Public Health Service buildings, mints, bullion depos-
20 itories, and assay offices, and buildings operated by the
21 Treasury and Post Office Departments in the District of
22 Columbia:

23 General administrative expenses: For architectural,
24 engineering, mechanical, administrative, clerical, and other

1 personal services; traveling expenses, printing and binding
2 (not to exceed \$17,000), advertising, testing instru-
3 ments, lawbooks, books of reference, periodicals, and such
4 other contingencies, articles, services, equipment, or sup-
5 plies as the Commissioner of Public Buildings may deem
6 necessary in connection with any of the work of the Public
7 Buildings Administration; ground rent of the Federal build-
8 ings at Salamanca, New York, and Columbus, Mississippi,
9 for which payment may be made in advance; \$1,350,000,
10 of which not to exceed \$750,725 may be expended for
11 personal services in the District of Columbia and not to
12 exceed \$456,275 for personal services in the field: *Provided,*
13 That the foregoing appropriations shall not be available for
14 the cost of surveys, plaster models, progress photographs,
15 test pits and borings, or mill and shop inspections, but the
16 cost thereof shall be construed to be chargeable against the
17 construction appropriations of the respective projects to which
18 they relate.

19 Repair, preservation, and equipment, outside the Dis-
20 trict of Columbia: For repairs, alterations, improvement,
21 and preservation, including personal services employed there-
22 for, of completed Federal buildings, the grounds and ap-
23 proaches thereof, wharves, and piers, together with the
24 necessary dredging adjacent thereto, and care and safe-
25 guarding, not otherwise provided for, of sites acquired for

1 Federal buildings, including tools and materials for the use
 2 of the custodial and mechanical force, wire partitions and
 3 insect screens, installation and repair of mechanical equip-
 4 ment, gas, and electric-light fixtures, conduits, wiring, plat-
 5 form scales, and tower clocks; vaults and lockbox equipment
 6 in all buildings completed and occupied, and for necessary
 7 safe equipments in buildings under the administration of the
 8 Federal Works Agency, including repairs thereto, and
 9 changes in, maintenance of, and repairs to the pneumatic-
 10 tube system in New York City installed under franchise of
 11 the city of New York, approved June 29, 1909, and June
 12 11, 1928, and the payment of any obligations arising there-
 13 under in accordance with the provisions of the Acts approved
 14 August 5, 1909 (36 Stat. 120), and May 15, 1928 (45
 15 Stat. 533), ~~(26)~~~~\$3,000,000~~ \$2,000,000: *Provided*, That the
 16 total expenditures for the fiscal year for the repair and
 17 preservation of buildings not reserved by the vendors on
 18 sites acquired for buildings or the enlargement of buildings
 19 and the installation and repair of the mechanical equipment
 20 thereof shall not exceed 20 per centum of the annual rental
 21 of such buildings.

22 Salaries and expenses, public buildings and grounds in
 23 the District of Columbia and adjacent area: For adminis-
 24 tration, protection, maintenance, and improvement of public
 25 buildings and grounds in the District of Columbia and the

1 area adjacent thereto, maintained and operated by the
 2 Public Buildings Administration, including the National
 3 Archives Building; repair, preservation, and equipment of
 4 buildings operated by the Treasury and Post Office Depart-
 5 ments in the District of Columbia; rent of buildings; demo-
 6 lition of buildings; expenses incident to moving various
 7 executive departments and establishments in connection with
 8 the assignment, allocation, transfer, and survey of building
 9 space; traveling expenses and carfare; leather and rubber
 10 articles and gas masks for the protection of public property
 11 and employees; furnishings and equipment; arms and ammu-
 12 nition for the guard force; purchase, repair, and cleaning
 13 of uniforms for guards and elevator conductors; (27) and the
 14 purchase of two motor-propelled passenger-carrying vehicles;
 15 (28) ~~\$29,532,400~~ \$29,530,800: *Provided*, That where quar-
 16 ters or maintenance or other services are furnished on a re-
 17 imburseable basis to any governmental activity, such activity
 18 shall make payment therefor promptly by check upon the
 19 written request of the Commissioner of Public Buildings,
 20 either in advance or after the service has been furnished, for
 21 deposit to the credit of this appropriation, of all or part of the
 22 estimated or actual cost thereof, as the case may be, and
 23 proper adjustment upon the basis of the actual cost shall be
 24 made for services paid for in advance.

25 Salaries and expenses, public buildings and grounds

1 outside the District of Columbia: For operation, protection,
 2 and maintenance, including cleaning, heating, lighting, rental of
 3 buildings and equipment, supplies, materials, furnishings and
 4 equipment, personal services, arms, ammunition, leather and
 5 rubber articles, and gas masks for the protection of pub-
 6 lic property and employees, ~~(29)~~purchase, repair, and clean-
 7 ing of uniforms for guards and elevator conductors, the
 8 purchase of one motor-propelled passenger-carrying vehicle,
 9 and every expenditure requisite for and incidental to
 10 such maintenance and operation of public buildings and
 11 grounds outside of the District of Columbia maintained
 12 and operated by the Public Buildings Administration,
 13 ~~(30)~~~~\$10,581,000~~ \$9,581,000: *Provided*, That all furniture
 14 now owned by the United States in other public build-
 15 ings or in buildings rented by the United States shall
 16 be used, so far as practicable, whether or not it corresponds
 17 with the present regulation plan for furniture: *Provided*
 18 *further*, That this appropriation shall be available for con-
 19 tracts for telephone switchboards or equivalent telephone-
 20 switching equipment jointly serving in each case two or
 21 more governmental activities in buildings operated by the
 22 Public Buildings Administration where it is found that joint
 23 service is economical and in the interests of the Govern-
 24 ment, and any Government activity receiving such service
 25 shall pay promptly by check upon the written request of

1 the Commissioner of Public Buildings, either in advance or
2 after the service has been furnished, for deposit to the
3 credit of this appropriation, all or part of the estimated or
4 actual cost thereof, as the case may be, and proper adjust-
5 ment upon the basis of the actual cost shall be made for
6 service paid for in advance.

7 Under the appropriations for salaries and expenses,
8 public buildings and grounds in and outside the District of
9 Columbia, per diem employees may be paid at rates ap-
10 proved by the Commissioner of Public Buildings, not exceed-
11 ing current rates for similar services in the place where such
12 services are employed, and such employees in emergencies
13 may be entered on duty subject to confirmation by the
14 Federal Works Administrator.

15 In the prosecution of construction projects or planning
16 programs assigned to the Public Buildings Administration
17 for which funds are provided by direct appropriation or
18 transferred under authority contained in section 35 of the
19 Act of June 15, 1938 (40 U. S. C. 265), an amount ad-
20 ministratively determined as necessary for the payment of
21 salaries and expenses of personnel engaged upon the prep-
22 aration of plans and specifications, field supervision, and
23 general office expense, may be transferred and consolidated
24 on the books of the Treasury Department into a special
25 account for direct expenditure in the prosecution of said

1 work, such expenditures to be subsequently allocated and
2 reported upon by projects in accordance with procedures
3 prescribed by the General Accounting Office.

4 PUBLIC ROADS ADMINISTRATION

5 General administrative expenses: For the employment of
6 persons and means, including rent, advertising (including
7 advertising in the city of Washington for work to be per-
8 formed in areas adjacent thereto), printing and binding (not
9 to exceed \$27,000), purchase (including exchange) of law-
10 books, books of reference and periodicals, and the prepara-
11 tion, distribution, and display of exhibits, in the city of Wash-
12 ington and elsewhere for the purpose of conducting research
13 and investigational studies, either independently or in co-
14 operation with State highway departments, or other agencies,
15 including studies of highway administration, legislation, fi-
16 nance, economics, transport, construction, operation, main-
17 tenance, utilization, and safety, and of street and highway
18 traffic control; investigations and experiments in the best
19 methods of road making, especially by the use of local mate-
20 rials; and studies of types of mechanical plants and appliances
21 used for road building and maintenance, and of methods of
22 road repair and maintenance suited to the needs of different
23 localities; for maintenance and repairs of experimental high-
24 ways; for furnishing expert advice on these subjects; for
25 collating, reporting, and illustrating the results of same; and

1 for preparing, publishing, and distributing bulletins and re-
 2 ports; to be paid from any moneys available from the ad-
 3 ministrative funds provided under the Act of July 11, 1916,
 4 as amended (23 U. S. C. 21), or as otherwise provided.

5 FEDERAL-AID HIGHWAY SYSTEM

6 For carrying out the provisions of "An Act to provide
 7 that the United States shall aid the States in the construction
 8 of rural post roads, and for other purposes", as amended
 9 (23 U. S. C. 1-117), to be expended in accordance with
 10 the provisions of said Act, as amended, including not to
 11 exceed \$1,341,850 for departmental personal services in the
 12 District of Columbia, \$40,000,000, to be immediately avail-
 13 able and to remain available until expended, which sum is
 14 composed of \$20,000,000, the remainder of the amount
 15 authorized to be appropriated for the fiscal year 1942 by
 16 section 1 of the Act approved September 5, 1940 (Public
 17 Law 780), and \$20,000,000, a part of the amount author-
 18 ized to be appropriated for the fiscal year 1943 by said
 19 section 1: *Provided*, That none of the money herein
 20 appropriated shall be paid to any State on account of any
 21 project on which convict labor shall be employed, except
 22 this provision shall not apply to convict labor performed by
 23 convicts on parole or probation (31): *Provided further*, That
 24 not to exceed \$55,000 of the funds provided for carrying out
 25 the provisions of the Federal Highway Act of November

1 9, 1921 (~~23 U. S. C. 21, 23~~), shall be available for the
2 purchase of ~~motor-propelled passenger-carrying~~ vehicles:
3 *Provided further*, That, during the fiscal year 1945, when-
4 ever performing authorized engineering or other services
5 in connection with the survey, construction, and mainte-
6 nance, or improvement of roads for other Government
7 agencies the charge for such services may include deprecia-
8 tion on engineering and road-building equipment used, and
9 the amounts received on account of such charges shall be
10 credited to the appropriation concerned: *Provided further*,
11 That during the fiscal year 1945 the appropriations for
12 the work of the Public Roads Administration shall be
13 available for meeting the expenses of warehouse maintenance
14 and the procurement, care, and handling of supplies, mate-
15 rials, and equipment stored therein for distribution to projects
16 under the supervision of the Public Roads Administration,
17 and for sale and distribution to other Government activities,
18 the cost of such supplies and materials or the value of such
19 equipment (including the cost of transportation and han-
20 dling) to be reimbursed to appropriations current at the
21 time additional supplies, materials, or equipment are pro-
22 cured, from the appropriation chargeable with the cost or
23 value of such supplies, materials, or equipment: *Provided*
24 *further*, That the appropriations available to the Public

1 Roads Administration may be used in emergency for medi-
2 cal supplies and services and other assistance necessary for
3 the immediate relief of employees engaged on hazardous
4 work under that Administration: *Provided further*, That
5 the appropriations for the work of the Public Roads Admin-
6 istration shall be available for necessary expenses (not ex-
7 ceeding \$9,000) of attendance at meetings and conferences
8 of highway departments, associations, organizations, and
9 other agencies concerned, and (not exceeding \$15,000) for
10 the temporary employment, by contract or otherwise, of
11 technical consultants and experts without regard to section
12 3709 of the Revised Statutes, and civil service and classi-
13 fication laws.

14 INTER-AMERICAN HIGHWAY

15 For all necessary expenses to enable the President to
16 utilize the services of the Public Roads Administration in ful-
17 filling the obligations of the United States under the Con-
18 vention on the Pan-American Highway Between the United
19 States and Other American Republics, signed at Buenos
20 Aires, December 23, 1936, and proclaimed September 16,
21 1937 (51 Stat. 152), for the continuation of cooperation with
22 several governments, members of the Pan American Union
23 in connection with the survey and construction of the Inter-
24 American Highway as provided in public resolution, ap-
25 proved March 4, 1929 (Public Resolution 104), as amended

1 or supplemented, and for performing engineering service in
2 pan-American countries for and upon the request of any
3 agency or governmental corporation of the United States,
4 \$100,000 to be derived from the administrative funds pro-
5 vided under the Act of July 11, 1916, as amended or
6 supplemented (23 U. S. C. 21), or as otherwise provided.

7 For surveys in connection with and the construction of
8 the Inter-American Highway, in accordance with the provi-
9 sions of the Act approved December 26, 1941 (Public
10 Law 375), and necessary expenses incident thereto with-
11 out regard to section 3709, Revised Statutes, ~~(32)including~~
12 ~~the purchase of motor-propelled passenger-carrying vehicles,~~
13 \$2,000,000, to be immediately available and to remain
14 available until expended and in addition thereto the Com-
15 missioner of Public Roads is authorized to enter into con-
16 tracts for this purpose in an amount not exceeding
17 \$6,000,000.

18 FEDERAL-AID SECONDARY OR FEEDER ROADS

19 For secondary or feeder roads, including farm-to-mar-
20 ket roads, rural free delivery mail roads, and public-school
21 bus routes, \$3,000,000, to be immediately available and to
22 remain available until expended, which sum is a part of the
23 amount authorized to be appropriated for the fiscal year
24 1942, by section 2 of the Act approved September 5, 1940
25 (Public Law 780).

STRATEGIC HIGHWAY NETWORK

2 For carrying out projects to correct critical deficiencies
3 in lines of the strategic network of highways and bridges,
4 in accordance with the provisions of section 4 of the Defense
5 Highway Act of 1941 (23 U. S. C. 104), ~~(33)~~ ~~\$20,000,000~~
6 ~~\$10,000,000~~, to be immediately available and to remain
7 available during the continuance of the emergency declared
8 by the President on May 27, 1941.

ACCESS ROADS

10 For the construction, maintenance, and improvement
11 of access roads and for replacing existing highways and high-
12 way connections as described in, and in accordance with the
13 provisions of, sections 6 and 9 of the Defense Highway Act
14 of 1941, as amended by the Act approved July 2, 1942
15 (23 U. S. C. 106) \$40,000,000, to be immediately avail-
16 able and to remain available during the continuance of the
17 emergency declared by the President on May 27, 1941.

SURVEYS AND PLANS

19 For advance engineering surveys and plans for future
20 development of the strategic network of highways and
21 bypasses around and extension into and through municipali-
22 ties and metropolitan areas, in accordance with the provisions
23 of section 9 of the Defense Highway Act of 1941 (23
24 U. S. C. 109) ~~(34)~~ ~~\$5,000,000~~ *\$4,000,000*, to be immediate-
25 ly available and to remain available during the continuance

1 of the emergency declared by the President on May 27, 1941.

2 **(35)***All funds heretofore appropriated to the Public Roads*
 3 *Administration for the construction of roads but impounded*
 4 *or withheld from obligation or expenditure by any agency*
 5 *or official are hereby released and made available for obliga-*
 6 *tion or expenditure for the purposes for which they were*
 7 *originally appropriated.*

8 Any of the foregoing appropriations for general or ad-
 9 ministrative expenses under the Federal Works Agency shall
 10 be available for the maintenance, repair, and operation of
 11 motor-propelled passenger-carrying vehicles in the District
 12 of Columbia and in the field.

13 FOREIGN-SERVICE PAY ADJUSTMENT

14 Foreign-service pay adjustment, appreciation of foreign
 15 currencies: For carrying into effect the provisions of the Act
 16 entitled "An Act to authorize annual appropriations to meet
 17 losses sustained by officers and employees of the United
 18 States in foreign countries due to appreciation of foreign
 19 currencies in their relation to the American dollar, and for
 20 other purposes", approved March 26, 1934 (5 U. S. C.
 21 118c), and for each and every object and purpose specified
 22 therein, **(36)**~~\$722,390~~ \$640,000.

23 GENERAL ACCOUNTING OFFICE

24 Salaries: For personal services in the District of Co-
 25 lumbia and elsewhere, \$37,000,000 **(37)**: *Provided, That*

1 *the Comptroller General shall designate an employee of the*
 2 *General Accounting Office to act as Comptroller General dur-*
 3 *ing the absence or incapacity of the Comptroller General and*
 4 *the Assistant Comptroller General, or during a vacancy in*
 5 *both of such offices.*

6 Miscellaneous expenses: For all expenses necessary for
 7 the work of the General Accounting Office, including travel
 8 expenses; procurement and exchange of lawbooks and books
 9 of reference, and not to exceed \$100 for periodicals;
 10 ~~(38)the purchase of one motor-propelled passenger-carrying~~
 11 ~~vehicle;~~ and maintenance, repair, and operation of motor-
 12 propelled passenger-carrying vehicles, ~~(39)\$1,200,000~~
 13 ~~\$1,198,600.~~

14 For all printing and binding for the General Accounting
 15 Office, including monthly and annual editions of selected
 16 decisions of the Comptroller General of the United States,
 17 \$200,000.

18 INTERSTATE COMMERCE COMMISSION

19 SALARIES AND EXPENSES

20 General administrative expenses: For salaries and ex-
 21 penses necessary in the execution of laws to regulate com-
 22 merce, including one chief counsel, one director of finance,
 23 and one director of traffic, at \$10,000 each per annum, field
 24 hearings, traveling expenses, and contract stenographic re-
 25 porting services \$3,119,000, of which amount not to

1 exceed \$2,797,000 may be expended for personal serv-
2 ices in the District of Columbia, exclusive of special coun-
3 sel, for which the expenditure shall not exceed \$50,000; not
4 exceeding \$5,000 for purchase and exchange of necessary
5 books, reports, newspapers, and periodicals.

6 Regulating accounts: To enable the Interstate Com-
7 merce Commission to enforce compliance with section 20
8 and other sections of the Interstate Commerce Act as
9 amended by the Act approved June 29, 1906, the Trans-
10 portation Act, 1920 (49 U. S. C. 20), and the Transporta-
11 tion Act of 1940, including the employment of necessary
12 special accounting agents or examiners, and traveling
13 expenses, \$473,000, of which amount not to exceed \$130,000
14 may be expended for personal services in the District of
15 Columbia.

16 Safety of employees: To enable the Interstate Commerce
17 Commission to keep informed regarding and to enforce com-
18 pliance with Acts to promote the safety of employees and
19 travelers upon railroads; the Act requiring common car-
20 riers to make reports of accidents and authorizing investi-
21 gations thereof; and to enable the Interstate Commerce
22 Commission to investigate and test appliances intended to
23 promote the safety of railway operation, as authorized by
24 the Joint Resolution approved June 30, 1906 (45 U. S. C.
25 35), and the provision of the Sundry Civil Act approved

1 May 27, 1908 (45 U. S. C. 36, 37), to investigate, test
2 experimentally, and report on the use and need of any
3 appliances or systems intended to promote the safety of
4 railway operation, inspectors, and for traveling expenses,
5 \$604,000, of which amount not to exceed \$102,000 may
6 be expended for personal services in the District of
7 Columbia.

8 Signal safety systems: For all authorized expenditures
9 under section 25 of the Interstate Commerce Act, as amended
10 by the Transportation Act, 1920, the Act of August 26, 1937
11 (49 U. S. C. 26), and the Transportation Act of 1940, with
12 respect to the provision thereof under which carriers by rail-
13 road subject to the Act may be required to install automatic
14 train-stop or train-control devices which comply with speci-
15 fications and requirements prescribed by the Commission,
16 including investigations and tests pertaining to block-signal
17 and train-control systems, as authorized by the Joint Resolu-
18 tion approved June 30, 1906 (45 U. S. C. 35), and includ-
19 ing the employment of the necessary engineers, and for
20 traveling expenses, \$182,000, of which amount not to ex-
21 ceed \$38,000 may be expended for personal services in the
22 District of Columbia.

23 Locomotive inspection: For all authorized expenditures
24 under the provisions of the Act of February 17, 1911, en-
25 titled "An Act to promote the safety of employees and

1 travelers upon railroads by compelling common carriers en-
2 gaged in interstate commerce to equip their locomotives with
3 safe and suitable boilers and appurtenances thereto" (45
4 U. S. C. 22), as amended by the Act of March 4, 1915,
5 extending "the same powers and duties with respect to all
6 parts and appurtenances of the locomotive and tender" (45
7 U. S. C. 30), and amendment of June 7, 1924 (45 U. S.
8 C. 27), providing for the appointment from time to time by
9 the Interstate Commerce Commission of not more than fifteen
10 inspectors in addition to the number authorized in the first
11 paragraph of section 4 of the Act of 1911 (45 U. S. C. 26),
12 and the amendment of June 27, 1930 (45 U. S. C. 24, 26),
13 including such legal, technical, stenographic, and clerical help
14 as the business of the offices of the director of locomotive in-
15 spection and his two assistants may require and for traveling
16 expenses, \$548,000, of which amount not to exceed \$81,000
17 may be expended for personal services in the District of
18 Columbia.

19 Valuation of property of carriers: To enable the Inter-
20 state Commerce Commission to carry out the objects of the
21 Act entitled "An Act to amend an Act entitled 'An Act to
22 regulate commerce', approved February 4, 1887, and all
23 Acts amendatory thereof, by providing for a valuation of the
24 several classes of property of carriers subject thereto and se-

1 curing information concerning their stocks, bonds, and other
 2 securities", approved March 1, 1913, as amended by the
 3 Act of June 7, 1922 (49 U. S. C. 19a), and by the "Emer-
 4 gency Railroad Transportation Act, 1933" (49 U. S. C.
 5 19a), including traveling expenses, ~~(40)\$500,000~~ \$655,000.

6 Motor transport regulation: For all authorized expendi-
 7 tures necessary to enable the Interstate Commerce Com-
 8 mission to carry out the provisions of part II of the Interstate
 9 Commerce Act and section 5, part I, of the Interstate
 10 Commerce Act insofar as applicable to common carriers
 11 subject to part II (Transportation Act of 1940), including
 12 one director at \$10,000 per annum and other personal serv-
 13 ices in the District of Columbia and elsewhere; traveling
 14 expenses; supplies; services and equipment; not to exceed
 15 \$1,000 for purchase and exchange of books, reports, news-
 16 papers, and periodicals; contract stenographic reporting
 17 services; ~~(41)purchase (not to exceed seven)~~; maintenance,
 18 repair, and operation of motor-propelled passenger-carry-
 19 ing vehicles; not to exceed \$5,000 for the purchase of
 20 evidence in connection with investigations of apparent
 21 violations of said Act, ~~(42)\$3,260,000~~ \$3,250,000: *Pro-*
 22 *vided*, That Joint Board members may use Government
 23 transportation requests when traveling in connection with
 24 their duties as Joint Board members.

25 Not to exceed \$2,500 of the appropriations herein made

1 for the Interstate Commerce Commission shall be available
2 for expenses, except membership fees, for attendance at
3 meetings concerned with the work of the Commission.

4 For all printing and binding for the Interstate Commerce
5 Commission, including not to exceed \$17,000 to print and
6 furnish to the States, at cost, blank annual report forms of
7 common carriers, and the receipts from such sales shall be
8 credited to this appropriation, \$157,700.

9 Salaries and expenses, emergency: For necessary
10 expenses, including traveling expenses, to enable the Inter-
11 state Commerce Commission, for the purpose of promoting
12 the national security and defense, to adopt measures for
13 preventing shortages of railroad equipment and congestion
14 of traffic, and expediting the movement of cars by railroads
15 through terminals, and related activities, \$338,000.

16 NATIONAL ADVISORY COMMITTEE FOR
17 AERONAUTICS

18 For necessary salaries and expenses of the National Ad-
19 visory Committee for Aeronautics, including contracts for
20 personal services in the making of special investigations and
21 reports; traveling expenses of members and employees, in-
22 cluding not to exceed \$2,500 for attendance upon meetings
23 of technical and professional societies; periodicals and books
24 of reference; equipment, maintenance, and operation of the
25 Langley Memorial Aeronautical Laboratory, the Ames Aero-

1 nautical Laboratory, and the aircraft engine research labor-
 2 atory at Cleveland, Ohio; purchase and maintenance of
 3 cafeteria equipment; ~~(43)~~ purchase, maintenance, and opera-
 4 tion of motor-propelled passenger-carrying vehicles; not to ex-
 5 ceed \$383,400 for personal services in the District of Co-
 6 lumbia, including one Director of Aeronautical Research at
 7 not to exceed \$10,000 per annum; and not to exceed \$2,500
 8 for temporary employment of consultants, at not to exceed
 9 \$50 per diem, by contract or otherwise, without regard to the
 10 civil-service and classification laws; in all, ~~(44)~~\$23,220,130
 11 \$23,218,830.

12 For all printing and binding for the National Advisory
 13 Committee for Aeronautics, including all of its offices, labo-
 14 ratories, and services located in Washington, District of
 15 Columbia, and elsewhere, \$15,000.

16 NATIONAL ARCHIVES

17 Salaries and expenses: For salaries and expenses of
 18 the Archivist and The National Archives; including personal
 19 services in the District of Columbia; scientific, technical,
 20 first-aid, protective, and other apparatus and materials for
 21 the arrangement, titling, scoring, repair, processing, editing,
 22 duplication, reproduction, and authentication of photographic
 23 and other records (including motion-picture and other films
 24 and sound recordings) in the custody of the Archivist; pur-
 25 chase and exchange of books, including lawbooks, books

1 of reference, maps, and charts; contract stenographic report-
 2 ing services; purchase of newspapers and periodicals; not
 3 to exceed \$100 for payment in advance when authorized
 4 by the Archivist for library membership in societies whose
 5 publications are available to members only or to members
 6 at a price lower than to the general public; travel expenses;
 7 exchange of scientific and technical apparatus; and mainte-
 8 nance, operation, and repair of one passenger-carrying
 9 motor vehicle, (45)~~\$1,042,340~~ \$1,084,000.

10 Printing and binding: For all printing and binding,
 11 \$7,000.

12 NATIONAL CAPITAL HOUSING AUTHORITY

13 For the maintenance and operation of properties under
 14 title I of the District of Columbia Alley Dwelling Authority
 15 Act, \$16,000: *Provided*, That all receipts derived from sales,
 16 leases, or other sources shall be covered into the Treasury
 17 of the United States monthly.

18 NATIONAL HOUSING AGENCY

19 OFFICE OF THE ADMINISTRATOR

20 Salaries and expenses: In addition to the amounts other-
 21 wise available (which amounts shall be transferred to this
 22 authorization for expenditure hereunder) for the adminis-
 23 trative expenses of the Office of the Administrator, National
 24 Housing Agency, in carrying out the provisions of the Act
 25 of October 14, 1940, as amended (42 U. S. C. 1521),

1 such amounts, not exceeding \$500,000, as the Adminis-
2 trator determines are required for the expenses of the
3 Office of the Administrator, National Housing Agency,
4 in the performance of administrative and supervisory services
5 relating to the constituent units of said Agency shall be
6 transferred, from the funds available for the administrative
7 expenses of such constituent units for the fiscal year
8 1945, to this authorization for expenditure hereunder and
9 shall be available until June 30, 1945, for all necessary
10 expenses of said Office of the Administrator, including per-
11 sonal services and rent in the District of Columbia; print-
12 ing and binding; purchase and exchange of lawbooks, books
13 of reference; periodicals and newspapers (not to exceed
14 \$500); preparation, mounting, shipping, and installation
15 of exhibits (not to exceed \$500); maintenance, repair, and
16 operation of motor-propelled passenger-carrying vehicles;
17 not to exceed \$5,000 for temporary employment of persons
18 or organizations, by contract or otherwise, for legal or other
19 special services without regard to section 3709 of the
20 Revised Statutes and the civil service and classification
21 laws; payment, when specifically authorized by the Ad-
22 ministrator, of (1) actual transportation and other neces-
23 sary expenses and not to exceed \$10 per diem in lieu
24 of subsistence to persons serving, while away from their
25 homes, without other compensation from the United States,

1 in an advisory capacity to the Agency and (2) not to
2 exceed \$1,500 for expenses of attendance at meetings of
3 organizations concerned with the work of the Agency when
4 specifically authorized by the Administrator; reimbursement
5 for the actual cost of ferry fares and bridge, road, and tunnel
6 tolls, and an allowance not to exceed 3 cents per mile for
7 all travel performed in privately owned automobiles by
8 employees engaged in the inspection of property within
9 the limits of their official posts of duty when such travel
10 is performed in connection with such inspection: *Provided*,
11 That notwithstanding the consolidation effected by Executive
12 Order 9070, section 7 of the First Deficiency Appropriation
13 Act, 1936, shall continue to apply to administrative expenses
14 of and for the constituent units of the National Housing
15 Agency mentioned in said section 7 and shall also apply to
16 such expenses of said National Housing Agency in connec-
17 tion with the functions and purposes of said constituent units,
18 and none of the funds made available by this Act for such
19 administrative expenses shall be obligated or expended unless
20 and until an appropriate appropriation account shall have
21 been established therefor pursuant to an appropriation war-
22 rant or a covering warrant, and all such expenditures shall
23 be accounted for and audited in accordance with the Budget
24 and Accounting Act, as amended: *Provided further*, That
25 the Administrator may, with the approval of the President

1 of the United States, transfer to this authorization or to an
2 authorization of a constituent unit from funds available for
3 administrative expenses of the constituent units or the Office
4 of the Administrator of the National Housing Agency such
5 additional sums as represent a consolidation in the Office of
6 the Administrator or in a constituent unit of any of the
7 administrative functions of the National Housing Agency;
8 but no such transfer of funds shall be made unless the con-
9 solidation will result in a reduction in manpower and a
10 savings in administrative expenses, which savings shall not
11 be used for administrative expenses but instead shall be
12 returned to or remain in the funds from which administrative
13 expenses are drawn under this authorization: *Provided fur-*
14 *ther*, That a report of such transfers and the savings effected
15 thereby shall be submitted to Congress in the annual budget.

16 FEDERAL HOME LOAN BANK ADMINISTRATION

17 Salaries and expenses: Not to exceed a total of
18 \$10,853,825, to be derived from the same sources as the
19 funds made available for administrative expenses of the Fed-
20 eral Home Loan Bank Administration, including the Federal
21 Savings and Loan Insurance Corporation and the Home Own-
22 ers' Loan Corporation, by the Independent Offices Appropri-
23 ation Act, 1944, shall be available during the fiscal year
24 1945 for administrative expenses of the Federal Home Loan
25 Bank Administration (Executive Order Numbered 9070

1 of February 24, 1942), which term and the term
2 Administration, wherever used herein, shall unless otherwise
3 qualified include and apply to said corporations but shall be
4 exclusive of any corporation organized in pursuance of
5 authority contained in the Act of May 16, 1918 (40 Stat.
6 550), and any amendments thereof, including personal serv-
7 ices in the District of Columbia and elsewhere; travel ex-
8 penses, in accordance with the Standardized Government
9 Travel Regulations and the Act of June 3, 1926, as amended
10 (5 U. S. C. 821-833); expenses (not to exceed \$7,500)
11 of attendance at meetings concerned with the work of said
12 Administration when specifically authorized by the Admin-
13 istration; printing and binding; lawbooks, books of reference,
14 and not to exceed \$1,250 for periodicals and newspapers;
15 rent in the District of Columbia; maintenance, repair, and
16 operation of motor-propelled passenger-carrying vehicles;
17 payment, when specifically authorized by the Administration,
18 of actual transportation and other necessary expenses and not
19 to exceed \$10 per diem in lieu of subsistence of persons serv-
20 ing, while away from their homes, without other compensa-
21 tion from the United States, in an advisory capacity to the
22 Administration; use of the services and facilities of the Fed-
23 eral home-loan banks, Federal Reserve banks, and agencies of
24 the Government, including the use of services and facilities

1 within the Administration; the amounts so derived to be
2 credited upon the books of the Treasurer of the United
3 States in such account or accounts as the Administration
4 may determine, and the Administration in its discretion
5 may utilize the facilities of the Division of Disbursement
6 of the Treasury Department for the disbursement of funds
7 in or derived from such account or accounts relating to
8 said corporations: *Provided*, That (1) all necessary ex-
9 penses in connection with the liquidation of insured in-
10 stitutions, (2) all necessary expenses (including services
11 performed on a force account, contract or fee basis, but
12 not including other personal services) in connection with
13 the acquisition, protection, operation, maintenance, improve-
14 ment, or disposition of real or personal property belonging
15 to the Home Owners' Loan Corporation or in which it has
16 an interest, and (3) all necessary expenses (including serv-
17 ices performed on a contract or fee basis, but not including
18 other personal services) in connection with the handling,
19 including the purchase, sale, and exchange, of securities on
20 behalf of Federal home-loan banks, and the sale, issuance,
21 and retirement of, or payment of interest on, debentures or
22 bonds, under the Federal Home Loan Bank Act, as amended,
23 shall be considered as nonadministrative expenses for the
24 purposes hereof: *Provided further*, That except as herein
25 otherwise provided, the administrative expenses and other

1 obligations of the Administration shall be incurred, allowed,
2 and paid in accordance with the provisions of the Federal
3 Home Loan Bank Act of July 22, 1932, as amended (12
4 U. S. C. 1421-1449), the Home Owners' Loan Act of 1933,
5 as amended (12 U. S. C. 1461-1468), and title IV of the
6 National Housing Act of June 27, 1934, as amended (12
7 U. S. C. 1724-1730).

8 FEDERAL HOUSING ADMINISTRATION

9 Salaries and expenses: Not to exceed \$10,484,635
10 of the various funds of the Federal Housing Adminis-
11 tration as follows, (1) the mutual mortgage insurance
12 fund, (2) the housing insurance fund, (3) the account in the
13 Treasury comprised of funds derived from premiums collected
14 under authority of section 2 (f), title I of the National Hous-
15 ing Act, as amended (12 U. S. C. 1701), and (4) the
16 war housing insurance fund shall be available for expendi-
17 ture, in accordance with the provisions of said Act for the
18 administrative expenses of the Federal Housing Admin-
19 istration, including: Personal services in the District of
20 Columbia; travel expenses, in accordance with the Stand-
21 ardized Government Travel Regulations and the Act of
22 June 3, 1926, as amended (5 U. S. C. 821-833), but there
23 may be allowed, in addition to mileage at a rate not to
24 exceed 4 cents per mile for travel by motor vehicle, reim-
25 bursement for the actual cost of ferry fares and bridge,

1 road, and tunnel tolls, and employees engaged in the in-
2 spection of property may be paid an allowance not to
3 exceed 4 cents per mile for all travel performed in pri-
4 vately owned automobiles within the limits of their official
5 posts of duty when such travel is performed in connection
6 with such inspection; printing and binding; lawbooks, books
7 of reference, and not to exceed \$1,500 for periodicals and
8 newspapers; not to exceed \$1,500 for contract actuarial
9 services; maintenance, repair, and operation of two motor-
10 propelled passenger-carrying vehicles; payment, when spe-
11 cifically authorized by the Commissioner, of actual transporta-
12 tion and other necessary expenses and not to exceed \$10 per
13 diem in lieu of subsistence to persons serving, while away
14 from their homes, without other compensation from the
15 United States, in an advisory capacity to the Administration;
16 not to exceed \$2,000 for expenses of attendance, when spe-
17 cifically authorized by the Commissioner, at meetings con-
18 cerned with the work of the Administration; and rent in the
19 District of Columbia: *Provided*, That all necessary expenses
20 of the Administration (including services performed on a con-
21 tract or fee basis, but not including other personal services) in
22 connection with the acquisition, protection, completion,
23 operation, maintenance, improvement, or disposition of real
24 or personal property of the Administration acquired under
25 authority of titles I, II, and VI of said National Housing

1 Act, shall be considered as nonadministrative expenses for
2 the purposes hereof: *Provided further*, That, except as herein
3 otherwise provided, the administrative expenses and other
4 obligations, including nonadministrative expenses, of the
5 Administration shall be incurred, allowed, and paid in ac-
6 cordance with the provisions of said Act of June 27, 1934,
7 as amended (12 U. S. C. 1701).

8 Payment of losses: Not to exceed \$5,000,000 of the
9 funds (after allowance for salaries and expenses as author-
10 ized under the heading, Salaries and expenses, Federal Hous-
11 ing Administration) in the account in the Treasury com-
12 prised of premiums collected under authority of section 2
13 (f), title I, of said Act, shall be available for the payment
14 of losses under insurance granted under section 2 and sec-
15 tion 6, title I, of said Act.

16 FEDERAL PUBLIC HOUSING AUTHORITY

17 Salaries and expenses: In addition to the amounts avail-
18 able (which shall be transferred to this authorization) for
19 the payment of the administrative expenses of the Federal
20 Public Housing Authority in carrying out the provisions of
21 section 201 of the Act of September 9, 1940 (54 Stat. 872),
22 the Act of October 14, 1940, as amended (42 U. S. C.
23 1521), and the Act of March 1, 1941 (55 Stat. 14), as
24 amended and supplemented, relating to war housing, includ-
25 ing temporary shelter, and in carrying out the provisions

1 of sections 3 of the Acts of June 29, 1936 (40 U. S. C.
 2 423 and 433), relating, respectively, to the operation and
 3 maintenance of the projects transferred pursuant to Execu-
 4 tive Order Numbered 7732 of October 27, 1937, and of the
 5 projects transferred pursuant to paragraphs 1 (g) and 6 of
 6 Executive Order Numbered 9070 of February 24, 1942,
 7 not to exceed ~~(46)\$2,782,440~~ \$2,772,940 of the funds of
 8 said Authority derived from its operations under the Act of
 9 September 1, 1937, as amended (42 U. S. C. 1401), shall be
 10 available for all necessary administrative expenses of said
 11 Authority, including personal services and rent in the District
 12 of Columbia; ~~(47)purchase (not to exceed ten)~~, maintenance,
 13 repair, and operation of motor-propelled passenger-carrying
 14 vehicles; temporary employment of persons or organizations,
 15 by contract or otherwise, for legal or other special services,
 16 without regard to section 3709 of the Revised Statutes
 17 and the civil-service and classification laws; payment,
 18 when specifically authorized by the Commissioner, of (1)
 19 the actual transportation and other necessary expenses and
 20 not to exceed \$5,000 in connection with payment of \$10
 21 per diem in lieu of subsistence to persons serving, while
 22 away from their homes and without other compensation
 23 from the United States, in an advisory capacity to the
 24 Authority and (2) expenses of attendance (not to exceed
 25 \$5,000) at meetings or conventions concerned with the work

1 of the Authority; printing and binding; purchase of law-
2 books, books of reference, and periodicals; and photograph-
3 ing equipment.

4 Annual contributions: For the payment of annual contri-
5 butions to public housing agencies in accordance with section
6 10 of the United States Housing Act of 1937, as amended
7 (42 U. S. C. 1410), \$9,500,000, together with the unex-
8 pended balance of the appropriation for this purpose for the
9 fiscal year 1944: *Provided*, That except for payments re-
10 quired on contracts entered into prior to April 18, 1940,
11 no part of this appropriation shall be available for payment
12 to any public-housing agency for expenditure in connection
13 with any low-rent housing project, unless the public-housing
14 agency shall have adopted regulations prohibiting as a tenant
15 of any such project by rental or occupancy any person other
16 than a citizen of the United States.

17 SECURITIES AND EXCHANGE COMMISSION

18 For salaries and expenses, including personal services
19 in the District of Columbia, of the Securities and Exchange
20 Commission in performing the duties imposed by law or in
21 pursuance of law, including employment of experts when
22 necessary; contract stenographic reporting services; purchase
23 and exchange of lawbooks, books of reference, directories,
24 and periodicals; not to exceed \$1,000 for the purchase of
25 newspapers; travel expenses, including the expense of at-

1 tendance, when specifically authorized by the Commission,
 2 at meetings concerned with the work of the Securities and
 3 Exchange Commission; garage rental; foreign postage; mile-
 4 age and witness fees; rental of equipment; operation, main-
 5 tenance, and repair of one motor-propelled passenger-carrying
 6 vehicle; and purchase of rubber gloves; \$4,651,704.

7 For all printing and binding for the Securities and Ex-
 8 change Commission, \$45,000.

9 SMITHSONIAN INSTITUTION

10 Salaries and expenses: For all salaries and expenses
 11 necessary for continuing preservation, exhibition, and in-
 12 crease of collections from the surveying and exploring expe-
 13 ditions of the Government and from other sources; for the
 14 system of international exchanges between the United States
 15 and foreign countries; for continuing ethnological researches
 16 among the American Indians and the natives of Hawaii and
 17 the excavation and preservation of archeological remains;
 18 for maintenance of the Astrophysical Observatory, including
 19 assistants, and making necessary observations in high alti-
 20 tudes; and for the administration of the National Collection
 21 of Fine Arts; including personal services in the District of
 22 Columbia; traveling expenses, including not exceeding
 23 \$2,500 for expenses of attendance at meetings concerned
 24 with the work of the Institution when specifically author-
 25 ized by the Secretary of the Smithsonian Institution; print-

1 ing and binding, not exceeding \$88,500, of which not to
2 exceed \$12,000 shall be available for printing the report
3 of the American Historical Association; purchase, repair, and
4 cleaning of uniforms for guards and elevator conductors;
5 repairs and alterations of buildings and approaches; not
6 exceeding \$5,500 for preparation of manuscripts, drawings,
7 and illustrations for publications; and not exceeding \$6,500
8 for purchase of books, pamphlets, and periodicals,
9 \$1,224,090.

10 Salaries and expenses, National Gallery of Art: For the
11 upkeep and operation of the National Gallery of Art, the
12 protection and care of the works of art therein, and all ad-
13 ministrative expenses incident thereto, as authorized by the
14 Act of March 24, 1937 (50 Stat. 51), as amended by the
15 Public Resolution of April 13, 1939 (Public Resolution
16 Numbered 9, Seventy-sixth Congress), including personal
17 services in the District of Columbia (except as otherwise
18 provided in sec. 4 (c) of such Act); traveling expenses,
19 including not exceeding \$1,000 for expenses of attendance
20 at meetings concerned with the work of the National Gal-
21 lery of Art when specifically authorized by the treasurer of
22 the gallery; periodicals, newspapers, lawbooks (not to exceed
23 \$150), and books of reference; not to exceed \$250 for pay-
24 ment in advance when authorized by the treasurer of the
25 gallery for membership in library, museum, and art asso-

1 ciations or societies whose publications or services are avail-
 2 able to members only, or to members at a price lower than
 3 to the general public; purchase, repair, and cleaning of
 4 uniforms for guards and elevator operators; leather and
 5 rubber articles and gas masks for the protection of public
 6 property and employees; not to exceed \$5,000 for printing
 7 and binding; maintenance, repair, and operation of one
 8 passenger-carrying automobile; purchase or rental of devices
 9 and services for protecting buildings and contents thereof;
 10 and maintenance and repair of buildings, approaches, and
 11 grounds, \$634,000: *Provided*, That section 3709 of the
 12 Revised Statutes, or the Classification Act of 1923, as
 13 amended, shall not apply to the restoration and repair of
 14 works of art for the National Gallery of Art, the cost of
 15 which shall not exceed \$15,000.

16 TARIFF COMMISSION

17 For salaries and expenses of the Tariff Commission, in-
 18 cluding personal services in the District of Columbia and
 19 elsewhere, traveling expenses not to exceed \$16,200,
 20 purchase and exchange of lawbooks, books of reference,
 21 gloves and other protective equipment for photostat and
 22 other machine operators, subscriptions to newspapers and
 23 periodicals not to exceed \$2,250, and contract stenographic
 24 reporting services, as authorized by sections 330 to 341 of the
 25 Tariff Act of 1930 (19 U. S. C. 1330-1341), (48)~~\$930,000~~

1 \$980,000, of which amount not to exceed \$2,500 may be ex-
2 pended for attendance at meetings concerned with subjects
3 under investigation by the Commission: *Provided*, That no
4 part of this appropriation shall be used to pay the salary of
5 any member of the Tariff Commission who shall hereafter
6 participate in any proceedings under sections 336, 337, and
7 338 of the Tariff Act of 1930, wherein he or any member of
8 his family has any special, direct, and pecuniary interest, or
9 in which he has acted as attorney or special representative.

10 For all printing and binding for the Tariff Commission,
11 \$10,000.

12 TENNESSEE VALLEY AUTHORITY

13 For the purpose of carrying out the provisions (49)of
14 "The Tennessee Valley Authority Act of 1933", as amended
15 (16 U. S. C., ch. 12A), including the continued construction
16 of Kentucky Dam at Gilbertsville, Kentucky; Watts Bar
17 steam plant; Fort Loudoun Dam (including an extension to
18 bring the waters of the Little Tennessee River within the
19 pool of this project); Fontana Dam; South Holston Dam;
20 Watauga Dam; an additional unit at the Sheffield steam plant;
21 and a fertilizer and elemental phosphorus manufacturing plant
22 at or near Mobile, Alabama; and the acquisition of necessary
23 land, the clearing of such land, relocation of highways, and
24 the construction or purchase of transmission lines and other
25 facilities, and all other necessary works authorized by such

1 Act, and for printing and binding, lawbooks, books of refer-
 2 ence, newspapers, periodicals, (50)purchase, maintenance,
 3 (51)repair, and operation of passenger-carrying vehicles,
 4 rents in the District of Columbia and elsewhere, and all neces-
 5 sary salaries and expenses connected with the organization,
 6 operation, and investigations of the Tennessee Valley Au-
 7 thority, and for examination of estimates of appropriations
 8 and activities in the field, (52)\$79,134,882, *to be accounted*
 9 *for as one fund known as the "Tennessee Valley Authority*
 10 *fund, 1945", to remain available until June 30, 1945, and*
 11 *to be available for the payment of obligations chargeable*
 12 *against the "Tennessee Valley Authority fund, 1944"; and*
 13 *the unexpended balance on June 30, 1944, in the "Tennessee*
 14 *Valley Authority fund, 1944", and (53)all the receipts of the*
 15 *Tennessee Valley Authority from all sources during the*
 16 *fiscal year 1945 (54)-(subject to the provisions of section 26*
 17 *of the Tennessee Valley Authority Act of 1933, as amended)-*
 18 *(55)and subsequent fiscal years, shall be covered (56)quar-*
 19 *terly into (57)and accounted for as one fund to be known*
 20 *as the "Tennessee Valley Authority fund 1945", to remain*
 21 *available until June 30, 1945, and to be available for the*
 22 *payment of obligations chargeable against the "Tennessee*
 23 *Valley Authority fund, 1944" general fund of the Treasury*
 24 *of the United States: Provided, That purchases may be made*
 25 *by the Authority during the fiscal year 1945 without regard*

1 to the provisions of section 3709 of the Revised Statutes and
 2 section 9 (b) of the Tennessee Valley Authority Act, as
 3 amended, when in the judgment of the Board of Directors
 4 of the Authority such a procedure will expedite the comple-
 5 tion of projects determined by the President to be essential
 6 for defense purposes.

7 THE TAX COURT OF THE UNITED STATES

8 For necessary expenses of The Tax Court of the United
 9 States as authorized by chapter 5 of the Internal Revenue
 10 Code, and sections 504 and 510 of the Revenue Act of 1942,
 11 including personal services and contract stenographic re-
 12 porting services, traveling expenses, carfare, stationery,
 13 purchase and exchange of lawbooks and books of reference,
 14 and periodicals, \$555,000.

15 For all printing and binding for The Tax Court of the
 16 United States, \$32,000.

17 UNITED STATES MARITIME COMMISSION

18 To increase the construction fund established by the
 19 Merchant Marine Act, 1936, \$6,766,000,000: *Provided*, That
 20 the amount of contract authorizations contained in prior Acts
 21 for ship construction and facilities incident thereto is hereby
 22 increased by \$5,700,000,000 (toward which \$4,665,390,499
 23 is included in the amount appropriated herein) : *Provided fur-*
 24 *ther*, that during the fiscal year 1945 not to exceed (58)\$30,-
 25 ~~000,000~~ \$39,983,725 shall be available for administrative

1 expenses of the United States Maritime Commission, includ-
 2 ing personal services at the seat of government; expenses of
 3 attendance (not to exceed \$3,800), when specifically author-
 4 ized by the Chairman of the Commission, at meetings con-
 5 cerned with the work of the Commission; printing and bind-
 6 ing; lawbooks and books of reference; periodicals and news-
 7 papers (not to exceed \$6,500); teletype services; ~~(59) pur-~~
 8 ~~chase (not to exceed \$16,275);~~ maintenance, repair, and
 9 operation of passenger-carrying automobiles; compensation
 10 as authorized by the Act of August 4, 1939, for officers of
 11 the Army, Navy, Marine Corps, or Coast Guard, detailed to
 12 the Commission; and not to exceed \$469,500 for the em-
 13 ployment by contract or otherwise of persons, firms, or cor-
 14 porations for the performance of legal and other special
 15 services, without regard to section 3709 of the Revised
 16 Statutes or the civil-service and classification laws: *Provided*
 17 *further*, That the amount which may be expended for ad-
 18 ministrative expenses in the fiscal year 1944 is hereby
 19 increased from \$23,000,000 to \$29,130,000.

20 VETERANS' ADMINISTRATION

21 Administration, medical, hospital, and domiciliary serv-
 22 ices: For all salaries and expenses of the Veterans' Ad-
 23 ministration, including the expenses of maintenance and
 24 operation of medical, hospital, and domiciliary services of
 25 the Veterans' Administration, in carrying out the duties,

1 powers, and functions devolving upon it pursuant to the
 2 authority contained in the Act entitled "An Act to author-
 3 ize the President to consolidate and coordinate governmen-
 4 tal activities affecting war veterans", approved July 3, 1930
 5 (38 U. S. C. 11-11f), and any and all laws for which the
 6 Veterans' Administration is now or may hereafter be charged
 7 with administering, ~~(60)\$164,000,000~~ \$163,977,740 (61),
 8 of which \$44,940 shall be available for salaries and expenses
 9 of the Federal Board of Hospitalization: *Provided*, That not
 10 to exceed \$3,500 of this amount shall be available for ex-
 11 penses, except membership fees, of employees, detailed by
 12 the Administrator of Veterans' Affairs to attend meetings
 13 of associations for the promotion of medical science or for the
 14 betterment of insurance practices and conventions of organized
 15 war veterans: *Provided further*, That this appropriation
 16 shall be available also for personal services in the District of
 17 Columbia and elsewhere, including traveling expenses;
 18 examination of estimates of appropriations in the field, in-
 19 cluding actual expenses of subsistence or per diem allowance
 20 in lieu thereof; furnishing and laundering of such wearing
 21 apparel as may be prescribed for employees in the perform-
 22 ance of their official duties; purchase and exchange of law-
 23 books, books of reference, periodicals, and newspapers; for
 24 passenger-carrying and other motor vehicles, including (62)
 25 ~~purchase~~, maintenance, repair, and operation of same, includ-

1 ing not more than two passenger automobiles for general ad-
2 ministrative use of the central office in the District of Colum-
3 bia; and notwithstanding any provisions of law to the con-
4 trary, the Administrator is authorized to utilize Government-
5 owned automotive equipment in transporting children of Vet-
6 erans' Administration employees located at isolated stations
7 to and from school under such limitations as he may by
8 regulation prescribe; and notwithstanding any provisions
9 of law to the contrary, the Administrator is authorized
10 to expend not to exceed \$5,000 of this appropriation for actu-
11 arial services pertaining to the Government life-insurance fund
12 and the National Service Life Insurance Fund, to be obtained
13 by contract, without obtaining competition, at such rates of
14 compensation as he may determine to be reasonable; for allot-
15 ment and transfer to the Federal Security Agency (Public
16 Health Service), the War, Navy, and Interior Depart-
17 ments, for disbursement by them under the various
18 headings of their applicable appropriations, of such amounts
19 as are necessary for the care and treatment of beneficiaries
20 of the Veterans' Administration, including minor repairs
21 and improvements of existing facilities under their juris-
22 diction necessary to such care and treatment; for expenses
23 incidental to the maintenance and operation of farms; for
24 recreational articles and facilities at institutions maintained
25 by the Veterans' Administration; for administrative expenses

1 incidental to securing employment for war veterans; for
2 funeral, burial, and other expenses incidental thereto for
3 beneficiaries of the Veterans' Administration accruing during
4 the year for which this appropriation is made or prior fiscal
5 years: *Provided further*, That the appropriations herein
6 made for the care and maintenance of veterans in hospitals
7 or homes under the jurisdiction of the Veterans' Adminis-
8 tration shall be available for the purchase of tobacco to be
9 furnished, subject to such regulations as the Administrator
10 of Veterans' Affairs shall prescribe, to veterans receiving
11 hospital treatment or domiciliary care in Veterans' Admin-
12 istration hospitals or homes: *Provided further*, That this
13 appropriation shall be available for continuing aid to State
14 or Territorial homes for the support of disabled volunteer
15 soldiers and sailors, in conformity with the Act approved
16 August 27, 1888, (24 U. S. C. 134), as amended, for
17 those veterans eligible for admission to Veterans' Adminis-
18 tration facilities for hospital or domiciliary care: *Provided*
19 *further*, That the Administrator is hereby authorized to
20 employ medical consultants for duty on such terms as he
21 may deem advisable and without regard to the civil service
22 and classification laws: *Provided further*, That this appro-
23 priation shall be available for the purchase directly from
24 sources authorized by the common carriers of printed de-
25 duced fare requests for use by veterans when traveling at

1 their own expense from or to Veterans' Administration facili-
2 ties: *Provided further*, That notwithstanding any limitation
3 in this Act, this appropriation shall be available for the
4 purchase of legal newspapers in an amount not exceeding
5 \$200.

6 No part of this appropriation shall be expended for the
7 purchase of any site for or toward the construction of any
8 new hospital or home, or for the purchase of any hospital
9 or home; and not more than \$2,500,000 of this appropriation
10 may be used to repair, alter, improve, or provide facilities
11 in the several hospitals and homes under the jurisdiction
12 of the Veterans' Administration either by contract or by
13 the hire of temporary employees and the purchase of
14 materials.

15 For printing and binding for the Veterans' Administra-
16 tion, including all its bureaus and functions located in
17 Washington, District of Columbia, and elsewhere, \$450,000.

18 Pensions: For the payment of compensation, pensions,
19 gratuities, and allowances, now authorized under any Act
20 of Congress, or regulation of the President based thereon, or
21 which may hereafter be authorized, including emergency
22 officers' retirement pay and annuities, the administration of
23 which is now or may hereafter be placed in the Veterans'
24 Administration, accruing during the fiscal year for which this

1 appropriation is made or in prior fiscal years, \$558,252,000,
2 to be immediately available.

3 For military and naval insurance accruing during the
4 fiscal year for which this appropriation is made or in prior
5 fiscal years, \$19,794,000.

6 Adjusted-service and dependent pay: For payment of
7 adjusted-service credits of not more than \$50 each and the
8 quarterly installments due to dependents of deceased vet-
9 erans, as provided in the Act of May 19, 1924, as amended
10 (38 U. S. C. 631-632, 661-670), \$40,000, to be imme-
11 diately available and to remain available until expended.

12 Adjusted compensation payments: To enable the Ad-
13 ministrator of Veterans' Affairs to carry out the provisions
14 of the World War Adjusted Compensation Act, 1924 (38
15 U. S. C. 591-683), as amended, and the Adjusted Com-
16 pensation Payment Act, 1936, except section 5 thereof (38
17 U. S. C. 686-688b), \$9,000,000, which amount shall be
18 placed to the credit of the Adjusted Service Certificate Trust
19 Fund, to be immediately available and to remain available
20 until expended.

21 National Service Life Insurance: For transfer to the
22 National Service Life Insurance Fund, in accordance with
23 the provisions of the National Service Life Insurance Act
24 of 1940, on account of payments of benefits in excess of the

1 reserve of the policy in case of death, or for premiums waived
2 in case of total disability, in cases where the death or total
3 disability of the insured shall have been determined by the
4 Administrator of Veterans' Affairs to be the result of disease
5 or injury traceable to the extra hazards of military or naval
6 service, and to reimburse the National Service Life Insur-
7 ance Fund for payments made therefrom when recovery of
8 such payments is waived by the Administrator of Veterans'
9 Affairs under the authority of section 609 (a) of said Act,
10 \$500,000,000, to be immediately available and to remain
11 available until expended.

12 Soldiers' and Sailors' Civil Relief: For payment of claims
13 as authorized by article IV of the Soldiers' and Sailors' Civil
14 Relief Act Amendments of 1942, \$400,000, to be imme-
15 diately and continuously available until expended: *Provided*,
16 That any moneys received under said article IV shall be
17 credited to this appropriation.

18 Hospital and domiciliary facilities: For hospital and
19 domiciliary facilities, \$7,374,500, to remain available until
20 expended: *Provided*, That this amount shall be available
21 for use by the Administrator of Veterans' Affairs, with the
22 approval of the President, for extending any of the facilities
23 under the jurisdiction of the Veterans' Administration or for
24 any of the purposes set forth in sections 1 and 2 of the
25 Act approved March 4, 1931 (38 U. S. C. 438j-k): *Pro-*

1 *vided further*, That not to exceed 3 per centum of this
2 amount shall be available for the employment in the District
3 of Columbia and in the field of necessary technical and
4 clerical assistants to aid in the preparation of plans and specifi-
5 cations for the projects as approved hereunder and in the
6 supervision of the execution thereof, and for traveling ex-
7 penses, field office equipment, and supplies in connection
8 therewith.

9 Total, Veterans' Administration, (63)~~\$1,259,310,500~~
10 ~~\$1,259,288,240~~: *Provided*, That no part of this appro-
11 priation shall be available for hospitalization or examination
12 of any persons except beneficiaries entitled under the laws
13 bestowing such benefits to veterans, unless reimbursement
14 of cost is made to the appropriation at such rates as may
15 be fixed by the Administrator of Veterans' Affairs.

16 SEC. 102. During the fiscal year ending June 30,
17 1945, the salaries of the Commissioners of the United
18 States Maritime Commission, with the exception of the Chair-
19 man so long as the office is held by the present incumbent,
20 and the Commissioners of the United States Tariff Commis-
21 sion shall be at the rate of \$10,000 each per annum.

22 SEC. 103. No part of any appropriation contained in
23 this Act shall be used to pay the salary or wages of any per-
24 son who advocates, or who is a member of an organization
25 that advocates, the overthrow of the Government of the

1 United States by force or violence: *Provided*, That for the
2 purposes hereof an affidavit shall be considered prima facie
3 evidence that the person making the affidavit does not ad-
4 vocate, and is not a member of an organization that advo-
5 cates, the overthrow of the Government of the United States
6 by force or violence: *Provided further*, That any person who
7 advocates, or who is a member of an organization that ad-
8 vocates, the overthrow of the Government of the United
9 States by force or violence and accepts employment the
10 salary or wages for which are paid from any appropriation
11 contained in this Act shall be guilty of a felony and, upon
12 conviction, shall be fined not more than \$1,000 or im-
13 prisoned for not more than one year, or both: *Provided*
14 *further*, That the above penal clause shall be in addition to,
15 and not in substitution for, any other provisions of existing
16 law.

17 SEC. 104. No part of any appropriation or authoriza-
18 tion in this Act shall be used to pay any part of the salary
19 or expenses of any person whose salary or expenses are pro-
20 hibited from being paid from any appropriation or authori-
21 zation in any other Act; but this prohibition shall be effective
22 only during the period for which such prohibition in such
23 other Act is effective.

24 SEC. 105. Where appropriations in this Act are expend-
25 able for travel expenses and no specific limitation has been

1 placed thereon, the expenditures for travel expenses may not
2 exceed the amount set forth therefor in the budget estimates
3 submitted for the appropriations.

4 SEC. 106. Where appropriations in this Act are ex-
5 pendable for the purchase of newspapers and periodicals
6 and no specific limitation has been placed thereon, the ex-
7 penditures therefor under each such appropriation may not
8 exceed the amount of \$50: *Provided*, That this limitation
9 shall not apply to the purchase of scientific, technical, trade,
10 or traffic periodicals necessary in connection with the per-
11 formance of the authorized functions of the agencies for which
12 funds are herein provided.

13 SEC. 107. If at any time during the fiscal year 1945
14 the termination of the Act entitled "An Act to provide
15 temporary additional compensation for employees in the
16 Postal Service", approved April 9, 1943, or of the Act
17 entitled "An Act to provide for the payment of overtime
18 compensation to Government employees, and for other pur-
19 poses", approved May 7, 1943, shall be fixed by concurrent
20 resolution of the Congress at a date earlier than June 30,
21 1945, the appropriations contained in this Act shall cease
22 to be available on such earlier date for obligation for the
23 purposes of the terminated Act and the unobligated portions
24 of appropriations allocated for the purposes of such termi-

1 nated Act shall not be obligated for any other purposes of
2 the appropriation during the fiscal year 1945.

3 TITLE II—GENERAL PROVISIONS

4 SEC. 201. (a) Appropriations for the fiscal year
5 1945 available for expenses of travel of civilian officers
6 and employees of the executive departments and inde-
7 pendent establishments shall be available also for expenses
8 of travel performed by them on transfer from one official
9 station to another when authorized by the head of the
10 department or establishment concerned in the order direct-
11 ing such transfer: *Provided*, That such expenses shall not
12 be allowed for any transfer effected for the convenience of
13 any officer or employee.

14 (b) Appropriations of the executive departments and
15 independent establishments for the fiscal year 1945 avail-
16 able for the transportation of things shall be available,
17 in accordance with the Act of October 10, 1940 (5 U. S.
18 C. 73c-1), for expenses incurred in the transfer of household
19 goods and effects of civilian officers and employees of such
20 departments and establishments when transferred from one
21 official station to another for permanent duty.

22 SEC. 202. Unless otherwise specifically provided, no
23 appropriation available for the executive departments and
24 independent establishments for the fiscal year 1945 in
25 this Act or any other Act, shall be expended—

1 (a) To purchase any motor-propelled passenger-
2 carrying vehicle (exclusive of busses, ambulances, and sta-
3 tion wagons), at a cost, completely equipped for operation,
4 and including the value of any vehicle exchanged, in excess
5 of such amount as the Secretary of War, in the case of the
6 War Department, the Secretary of the Navy, in the case of
7 the Navy Department, the Commissioners, in case of the
8 government of the District of Columbia, and the Director
9 of the Bureau of the Budget, in the case of other essential
10 governmental needs, may determine necessary to obtain
11 satisfactory motor-propelled passenger-carrying vehicles, but
12 in no event shall the price so paid for any such vehicle ex-
13 ceed the maximum price therefor established by the Office
14 of Price Administration and in no event more than \$1,500,
15 which amount shall be in addition to the amount required
16 for transportation.

17 (b) For the maintenance, operation, and repair of any
18 Government-owned motor-propelled passenger-carrying ve-
19 hicle (64)(1) not used exclusively for official purposes; and
20 "official purposes" shall not include the transportation of offi-
21 cers and employees between their domiciles and places of em-
22 ployment, except in case of medical officers on out-patient
23 medical services and except in cases of officers and employees
24 engaged in field work the character of whose duties makes
25 such transportation necessary and then only as to such latter

1 cases when the same is approved by the head of the depart-
2 ment or establishment concerned (65); (2) *unless there shall*
3 *be painted in white letters not less than two inches high on both*
4 *sides of each motor vehicle and trailer owned or leased by the*
5 *United States Government the words "On Official Business",*
6 *and (3) unless there shall also be displayed at all times in a*
7 *conspicuous place a sign designating the particular depart-*
8 *ment, independent establishment, or other Federal agency*
9 *which operates said vehicle. Any officer or employee of the*
10 *Government who uses or authorizes the use of any Govern-*
11 *ment-owned motor-propelled passenger-carrying vehicle, or*
12 *of any motor-propelled passenger-carrying vehicle leased by*
13 *the Government, for other than official purposes or otherwise*
14 *violates the provisions of this subsection shall be summarily*
15 *removed from office, and shall, upon conviction thereof, be*
16 *fined not more than \$1,000 or imprisoned for not more*
17 *than one year, or both. The limitations of this subsection*
18 (b) shall not apply to any motor vehicles for official use of
19 the President, the heads of the executive departments, Am-
20 bassadors, Ministers, chargés d'affaires, and other principal
21 diplomatic and consular officials (66) *and clauses (2) and*
22 *(3) shall not apply to motor vehicles operated by the Federal*
23 *Bureau of Investigation and the Immigration and Naturali-*
24 *zation Service of the Department of Justice and the Secret*
25 *Service of the Treasury Department.*

1 SEC. 203. In purchasing motor-propelled or animal-
2 drawn vehicles or tractors, or road, agricultural, manufactur-
3 ing, or laboratory equipment, or boats, or parts, accesso-
4 ries, tires, or equipment thereof, the head of any executive
5 department or independent establishment or his duly author-
6 ized representative may exchange or sell similiar items and
7 apply the exchange allowances or proceeds of sales in such
8 cases in whole or in part payment therefor.

9 SEC. 204. Section 3709, Revised Statutes (41 U. S.
10 C. 5), shall not apply to any purchase by or service ren-
11 dered to any executive department or independent estab-
12 lishment during the fiscal year 1945 when the aggregate
13 amount involved does not exceed \$100, but this section
14 shall not be construed as affecting any provision of law au-
15 thorizing purchases or services without regard to said section
16 3709 in amounts greater than \$100.

17 SEC. 205. Unless otherwise specified and until July 1,
18 1945, no part of any appropriation contained in this or
19 any other Act shall be used to pay the compensation of any
20 officer or employee of the Government of the United States
21 (including any agency the majority of the stock of which is
22 owned by the Government of the United States) whose
23 post of duty is in continental United States unless such per-
24 son (1) is a citizen of the United States, (2) is a person in
25 the service of the United States on the date of enactment of

1 this Act who, being eligible for citizenship, had filed a dec-
2 laration of intention to become a citizen of the United
3 States prior to such date, or (3) is a person who owes al-
4 legiance to the United States: *Provided*, That for the pur-
5 pose of this section, an affidavit signed by any such person
6 shall be considered prima facie evidence that the require-
7 ments of this section with respect to his status have been
8 compiled with: *Provided further*, That any person making
9 a false affidavit shall be guilty of a felony and, upon con-
10 viction, shall be fined not more than \$1,000 or imprisoned
11 for not more than one year, or both: *Provided further*, That
12 the above penal clause shall be in addition to, and not in
13 substitution for, any other provisions of existing law: *Pro-*
14 *vided further*, That any payment made to any officer or em-
15 ployee contrary to the provisions of this section shall be
16 recoverable in action by the Federal Government. This
17 section shall not apply to citizens of the Commonwealth of
18 the Philippines or to nationals of those countries allied with
19 the United States in the prosecution of the war.

20 SEC. 206. Appropriations for the executive departments
21 and independent establishments for the fiscal year 1945
22 available for travel expenses shall be available for the pay-
23 ment of per diem allowances in lieu of subsistence expenses
24 without regard to the Subsistence Expense Act of 1926, as
25 amended (5 U. S. C. 821-833), to civilian officers and em-

1 ployees of such departments and establishments while travel-
2 ing on official business outside the continental limits of the
3 United States and away from their designated posts of duty:
4 *Provided*, That the amount of such allowances shall be deter-
5 mined by the head of the department or independent establish-
6 ment concerned or by such official as he may designate for the
7 purpose, but shall in no case, notwithstanding any other provi-
8 sion of law, exceed the maximum established by regulations
9 prescribed by the President for the locality in which the travel
10 is performed: *Provided further*, That the availability of
11 appropriations of the War and Navy Departments with
12 respect to the foregoing shall not be restricted thereby.

13 SEC. 207. The provision of law prescribing the use
14 of vessels of United States registry by employees of the Gov-
15 ernment traveling overseas (46 U. S. C. 1241) shall not
16 apply to such travel during the fiscal year 1945.

17 SEC. 208. Appropriations of the executive departments
18 and independent establishments for the fiscal year 1945 shall
19 be available for reimbursement at not to exceed 5 cents per
20 mile to personnel serving without compensation from the
21 United States for expenses of travel performed by them in
22 privately owned automobiles away from their designated posts
23 of duty, and not to exceed 3 cents per mile for such travel
24 within the limits of their official stations.

25 SEC. 209. Appropriations of the executive departments

1 and independent establishments for the fiscal year 1945,
 2 available for expenses of travel, are hereby made available
 3 (1) for allowances for living and quarters in accordance
 4 with Standardized Regulations prescribed by the President
 5 for civilian officers and employees of the Government tem-
 6 porarily stationed in foreign countries, and (2) for living
 7 quarters allowances in accordance with the Act of June 26,
 8 1930 (5 U. S. C. 118a), and regulations prescribed there-
 9 under, and cost of living allowances in accordance with the
 10 Act of February 23, 1931, as amended (22 U. S. C. 12),
 11 and regulations prescribed thereunder, for all civilian officers
 12 and employees of the Government permanently stationed in
 13 foreign countries: *Provided*, That the availability of appro-
 14 priations of the Departments of War, Navy, and State, except
 15 the appropriation Cooperation with the American Republics,
 16 for any of the above-mentioned objects shall not be affected
 17 hereby.

18 ~~(67)SEC. 210.~~ No part of any appropriation for the fiscal
 19 year 1945 contained in this or any other Act shall be
 20 paid to any person for the filling of any position for which
 21 he or she has been nominated after the Senate has voted not
 22 to approve of the nomination of said person.

23 *SEC. 210. No part of any appropriation available for*
 24 *the executive departments and independent establishments*
 25 *(including any agency the majority of the stock of which*

1 *is owned by the Government of the United States) for the*
2 *fiscal year 1945 or any subsequent fiscal year contained*
3 *in this or any other Act shall be (1) paid to any person*
4 *for the filling of any position for which he or she has been*
5 *nominated after the Senate has voted not to approve of the*
6 *nomination of said person, or (2) available to pay the salary*
7 *of any person at the rate of \$4,500 per annum or more*
8 *unless such person shall be appointed by the President, by*
9 *and with the advice and consent of the Senate.*

10 SEC. 211. The funds appropriated in the appropriation
11 Acts for the fiscal year 1945 of the services mentioned in
12 the title of the Act of June 16, 1942 (Public Law 607,
13 Seventy-seventh Congress), shall be available for, and the
14 heads of the executive departments concerned are author-
15 ized to prescribe, per diem rates of allowance, at rates
16 not to exceed \$7 per day, in lieu of subsistence to officers
17 traveling on official business and away from their designated
18 posts of duty, and to members of the services concerned
19 (including officers, warrant officers, contract surgeons, en-
20 listed personnel, aviation cadets, and members of the Nurse
21 Corps) when traveling by air under competent orders and
22 on duty without troops.

23 SEC. 212. No part of any appropriation contained in
24 this or any other Act shall be used to pay in excess of \$2
25 per volume for the current and future volumes of the United

1 States Code Annotated or in excess of \$3.25 per volume for
2 the current or future volumes of the Lifetime Federal Digest.
3 (68)SEC. 213. *After July 1, 1944, no part of any appro-*
4 *priation or fund made available by this or any other Act*
5 *shall be allotted or made available to, or used to pay the*
6 *expenses of, any agency or instrumentality including those*
7 *established by Executive order after such agency or instru-*
8 *mentality has been in existence for more than one year, if*
9 *the Congress has not appropriated any money specifically for*
10 *such agency or instrumentality or specifically authorized the*
11 *expenditure of funds by it. For the purposes of this section,*
12 *any agency or instrumentality including those established by*
13 *Executive order shall be deemed to have been in existence dur-*
14 *ing the existence of any other agency or instrumentality,*
15 *established by a prior Executive order, if the principal func-*
16 *tions of both of such agencies or instrumentalities are sub-*
17 *stantially the same or similar. When any agency or instru-*
18 *mentality is or has been prevented from using appropriations*
19 *by reason of this section, no part of any appropriation or*
20 *fund made available by this or any other Act shall be used to*
21 *pay the expenses of the performance by any other agency*
22 *or instrumentality of functions which are substantially the*
23 *same as or similar to the principal functions of the agency*
24 *or instrumentality so prevented from using appropriations,*

1 *unless the Congress has specifically authorized the expenditure*
2 *of funds for performing such functions.*

3 SEC. (69)~~213~~ 214. This Act may be cited as the "In-
4 dependent Offices Appropriation Act, 1945".

Passed the House of Representatives January 31, 1944.

Attest: SOUTH TRIMBLE,
Clerk.

Passed the Senate with amendments March 24 (legis-
lative day, February 7), 1944.

Attest: EDWIN A. HALSEY,
Secretary.

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1944

Ordered to be printed with the amendments of the
Senate numbered





House of Representatives

MONDAY, MAY 8, 1944

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Create in us clean hearts, O God, and renew a right spirit within us; cast us not away from Thy presence and take not Thy holy spirit from us. Thou who hast commanded the light to shine out of darkness, shine in our hearts that we may give knowledge and understanding to those who fail to lay up wisdom in their hearts. As our immortal souls pulse with the spirit of the uncreated God, grant that we may feel more and more the claims of sacrificial service. We pray not only for a world fit for man but for man fit for the world.

Thou who didst rule the swellings of Jordan, who walked amid the loneliness of the wilderness and tasted the sharpness of death, lay Thy hand upon us, abounding in life and power. Through patience and watchfulness, help us to discern the possibilities of our lot and cultivate the discipline of a full, absorbing life. Blended with an earnest purpose, we would discourage the blinding and belittling influence of materialism, which implies nothing great in heroism of patriotism. Struggling amid the gapes which threaten to swallow the soul of the world, O gather up its tragic, raveled ends and make them whole again. We ask it in the name of Him by whom we can attain to the larger life. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, May 5, 1944, was read and approved.

INDEPENDENT OFFICES APPROPRIATIONS—1945

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, and it is not my purpose to object, but may I say there are at least three amendments in this bill as it comes back from the Senate that are without doubt subject to a point of order because they are legislation on an appropriation bill and not authorized by law. The amendments not only

apply to appropriations in this bill but to other bills and acts.

One of them is the T. V. A. amendment; the other is an amendment requiring confirmation by the Senate of appointment of all employees drawing over \$4,500 a year; and the third is an amendment that would enable all the gangsters in the country to get advance notice when an enforcement officer is in the vicinity, as it requires the officers to have a large Government sign on their automobile. That is all right for official cars but not cars of enforcement officers.

I want to express the hope, and I am sure the gentleman from Virginia will agree because he has been very kind in the past, that the conferees will not include any of the amendments in the conference report because if they did I would have to make a point of order against them. I hope they will return those items to the House so that we can have a separate vote on them and let the House determine whether it is going to permit such obnoxious amendments to be added to an appropriation bill by the Senate. Mr. Speaker, I withdraw my reservation of objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, may I ask the gentleman from Virginia if this is the appropriation bill in which the gentleman from New York [Mr. TABER] is interested in being present before it is sent to conference?

Mr. WOODRUM of Virginia. The gentleman from Massachusetts is the ranking minority member; he is present. I do not know about the gentleman from New York.

Mr. MARTIN of Massachusetts. The gentleman from New York spoke to me about a bill. I do not know whether this is the one or not. However, the gentleman from Massachusetts [Mr. WIGGLESWORTH] tells me it is not, so I withdraw my reservation of objection.

The SPEAKER. The Chair is under the impression that the gentleman from New York [Mr. TABER] said he wanted to be present on the floor when this bill is sent to conference.

Mr. MARTIN of Massachusetts. Which one is this?

Mr. WOODRUM of Virginia. The independent offices appropriation bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, the gentleman from Massachusetts [Mr. WIGGLESWORTH] states that the gentleman from New York [Mr. TABER] is satisfied to have this bill go to conference.

Mr. WOODRUM of Virginia. Mr. Speaker, may I say to the gentleman from Missouri [Mr. COCHRAN] the items he mentions, I think, are legislation on an appropriation bill, and could not be included in the conference report; there-

fore would have to come back for a separate vote. Even if they were not, I would bring them back for a separate vote.

Mr. COCHRAN. I thank the gentleman for that assurance.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The SPEAKER appointed the following Members as conferees on the part of the House: Messrs. WOODRUM of Virginia, FITZPATRICK, STARNES of Alabama, HENDRICKS, WIGGLESWORTH, DIRKSEN, and CASE.

RETURN OF CERTAIN VESSELS TO PRIVATE OWNERSHIP

Mr. BLAND. Mr. Speaker, I call up the conference report on the bill (H. R. 3261) to amend the act of April 29, 1943, to authorize the return to private ownership of Great Lakes vessels and vessels of 1,000 gross tons or less, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 2, 1944.)

Mr. BLAND. Mr. Speaker, the Senate has receded as to all of its amendments, and this restores the language used in the House bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. The bill is now exactly the same as it passed the House?

Mr. BLAND. It is.

The conference report was agreed to. A motion to reconsider was laid on the table.

COMMITTEE ON THE CIVIL SERVICE

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I present a privileged resolution (H. Res. 535) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the studies and investigation authorized by House Resolution 550 of the Seventy-seventh Congress and House Resolution 16 of the Seventy-eighth Congress, incurred by the Committee on the Civil Service, not to exceed \$50,000 in addition to the unexpended balances of sums made available during the Seventy-eighth Congress for conducting the studies and investigation, including expendi-

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

MAY 29, 1944.—Ordered to be printed

Mr. WOODRUM of Virginia, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4070]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 23, 40, 45, 48, and 62.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 10, 12, 15, 16, 18, 19, 20, 21, 22, 24, 25, 27, 28, 31, 32, 33, 34, 36, 38, 39, 41, 42, 43, 44, 46, 47, 49, 50, 51, 59, and 61 and agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$3,750; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$5,821,900; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$10,000,000; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$2,104,500; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$2,500,000; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$38,000,000; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$164,044,940; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$1,259,355,440; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 37, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, and 69.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.

RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
STYLES BRIDGES,
WALLACE H. WHITE, Jr.,
Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 5: Strikes out, as proposed by the Senate, the proposal of the House to appropriate to the Bureau of the Budget \$44,940 for the Federal Board of Hospitalization.

No. 7: Provides that appropriations to the Bureau of the Budget for national-defense activities shall cease to be available upon the expiration of 60 days after the cessation of hostilities between the United States and the principal enemy powers, as proposed by the Senate.

Nos. 9, 10, 11, 12, and 13, relating to the Civil Service Commission: Provides \$3,750 for employment of expert examiners not in the Federal service on special subjects for which regular examiners are not available, instead of \$5,000, as proposed by the House, and \$2,500, as proposed by the Senate; strikes out authority for the purchase of motortrucks, motorcycles, and bicycles, as proposed by the Senate; appropriates \$5,821,900 for salaries and expenses, instead of \$6,056,473, as proposed by the House, and \$5,766,000, as proposed by the Senate, of which not to exceed \$90,000 shall be available, as proposed by the Senate, instead of \$113,000, as proposed by the House, for enforcement of the so-called Hatch Act, relating to the prevention of pernicious political activities; and appropriates \$10,000,000 for salaries and expenses, national defense activities, instead of \$12,995,504, as proposed by the House, and \$8,840,000, as proposed by the Senate.

Nos. 15, 16, 17, 18, and 19, relating to the Federal Communications Commission: Strikes out authority for the purchase of passenger-carrying automobiles in the regular and national defense appropriation items, as proposed by the Senate; limits funds available for travel under the appropriation for salaries and expenses to \$39,000, as proposed by the Senate; appropriates \$2,104,500 for salaries and expenses, instead of \$2,209,000, as proposed by the House, and \$2,000,000, as proposed by the Senate; and appropriates \$4,191,143, as proposed by the Senate, instead of \$4,491,143, as proposed by the House, for salaries and expenses, national defense.

Nos. 20, 21, and 22, relating to the Federal Power Commission: Strikes out authority for the purchase of motor-propelled passenger-carrying automobiles, as proposed by the Senate; appropriates \$1,997,000 for salaries and expenses, as proposed by the Senate, instead of \$2,000,000, as proposed by the House; and appropriates \$25,000, as proposed by the Senate, instead of \$30,000, as proposed by the House, for printing and binding.

Nos. 23, 24, and 25, relating to the Federal Trade Commission: Appropriates \$2,011,070, as proposed by the House, instead of \$1,978,707, as proposed by the Senate, for salaries and expenses; provides that not less than \$172,410 shall be available for enforcement of the Wool Products Labeling Act, as proposed by the Senate; and appropriates \$43,000 for printing and binding, as proposed by the Senate, instead of \$48,900, as proposed by the House.

No. 26: Appropriates \$2,500,000 for repair and preservation of buildings outside the District of Columbia, Public Buildings Administration, instead of \$3,000,000, as proposed by the House, and \$2,000,000, as proposed by the Senate.

Nos. 27 and 28: Strikes out authority for the Public Buildings Administration to purchase two passenger-carrying motor vehicles and appropriates \$29,530,800 for salaries and expenses, public buildings and grounds in the District of Columbia, as proposed by the Senate, instead of \$29,532,400, as proposed by the House.

Nos. 31, 32, 33, and 34, relating to the Public Roads Administration: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles in connection with appropriations under the Federal-aid Highway System and the Inter-American Highway, as proposed by the Senate; appropriates \$10,000,000, as proposed by the Senate, instead of \$20,000,000, as proposed by the House, for the strategic highway network; and appropriates \$4,000,000, as proposed by the Senate, instead of \$5,000,000, as proposed by the House, for advance engineering surveys and plans for bypasses around and extensions in and through municipalities.

No. 36: Appropriates \$640,000 for foreign-service pay adjustment, as proposed by the Senate, instead of \$722,390, as proposed by the House.

Nos. 38 and 39, relating to miscellaneous expenses, General Accounting Office: Strikes out authority for the purchase of one motor-propelled passenger-carrying vehicle, and \$1,400 for the purchase of such vehicle, as proposed by the Senate.

No. 40: Appropriates \$500,000 for valuation of property of carriers, Interstate Commerce Commission, as proposed by the House, instead of \$655,000, as proposed by the Senate.

Nos. 41 and 42: Strikes out authority for the purchase of seven motor-propelled passenger-carrying vehicles, and \$10,000 for the purchase of same, in connection with the appropriation for motor-transport regulation, Interstate Commerce Commission, as proposed by the Senate.

Nos. 43 and 44: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles, and \$1,300 for the purchase of same, in connection with the appropriation for the National Advisory Committee for Aeronautics, as proposed by the Senate.

No. 45: Appropriates \$1,042,340 for salaries and expenses, The National Archives, as proposed by the House, instead of \$1,084,000, as proposed by the Senate.

Nos. 46 and 47: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles by the Federal Public Housing Authority, and makes an appropriate reduction in the authorization for the use of funds by such Authority for such purpose, as proposed by the Senate.

No. 48: Appropriates \$930,000, as proposed by the House, instead of \$980,000, as proposed by the Senate, for salaries and expenses of the Tariff Commission.

Nos. 49, 50 and 51, relating to the Tennessee Valley Authority: Corrects a typographical error by inserting the word "of", strikes out authority for the purchase, and inserts authority for the repair of passenger-carrying vehicles, as proposed by the Senate.

Nos. 58 and 59, relating to the United States Maritime Commission: Authorizes the use of \$38,000,000 for administrative expenses, instead of \$30,000,000, as proposed by the House, and \$39,983,725, as proposed by the Senate; and strikes out authority for the purchase of passenger-carrying vehicles, as proposed by the Senate.

Nos. 60, 61, 62, and 63, relating to the Veterans' Administration: Appropriates \$164,044,940 for salaries and expenses, instead of \$164,000,000, as proposed by the House, and \$163,977,740, as proposed by the Senate; provides \$44,940 for salaries and expenses of the Federal Board of Hospitalization, as proposed by the Senate; restores \$67,200 for the purchase of ambulances, busses, station wagons, and sedans, as proposed by the House, with the understanding that such vehicles shall be used primarily for the purpose of transporting beneficiaries; and corrects the total appropriation for the Veterans' Administration.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments are reported in disagreement:

Nos. 1, 2, 3, 4, 6, and 8, relating to salaries and expenses, Bureau of the Budget, including the maintenance and establishment of field offices.

No. 14, relating to the Legal Examining Unit of the Examining and Personnel Utilization Division, Civil Service Commission.

Nos. 29 and 30, relating to the appropriation for salaries and expenses of public buildings and grounds outside the District of Columbia, Public Buildings Administration.

No. 35, relating to the impoundment of funds for the construction of roads, Public Roads Administration.

No. 37, relating to the designation of an employee of the General Accounting Office to act as Comptroller General.

Nos. 52, 53, 54, 55, 56, and 57, relating to the Tennessee Valley Authority.

Nos. 64, 65, and 66, relating to display of the words "On Official Business", on each motor vehicle and trailer owned or leased by the United States Government.

No. 67, relating to confirmation by the Senate of persons filling positions in the Federal service who receive a salary at the rate of \$4,500 or more per annum.

No. 68, relating to the use of funds by agencies or instrumentalities including those established by Executive order, and requiring that

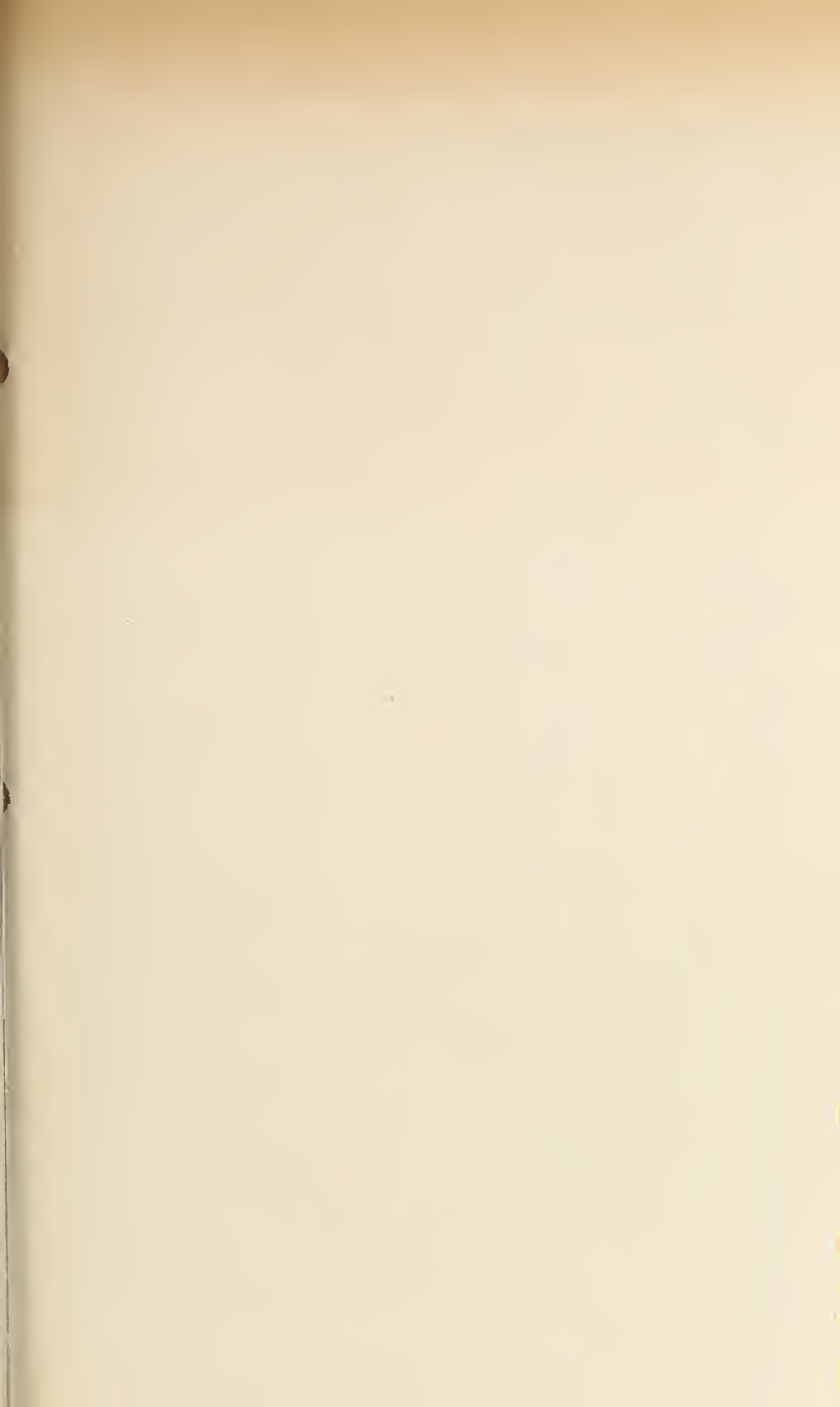
specific appropriations shall be made for such agencies or instrumentalities after July 1, 1944.

No. 69, correcting a section number.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.





go around the country under each division to set up paralleling programs of health, programs that ought to be under one division.

In connection with the bill I introduced I wrote to all the State health directors, because I wanted to find out how they felt about the matter. They have to make the program operate in the various States. I have heard from 36 State health directors and all but one indicated that it would greatly help the work in the State if they would put all the health activities under one head, preferably under the United States Public Health Service.

I am pointing this out to the committee, because I feel the time has arrived to evaluate these health programs so the confusion and duplication can be eliminated. It is in the interest of the public. It is all the taxpayers' money that we are spending and it is my belief that the time has arrived when we should not only think of the taxpayers' money but of those things that are in the best interest of the public and the public health. It seems to me that the next time the committee considers some of these bills it might well think of combining these activities.

Mr. HARE. Will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from South Carolina.

Mr. HARE. I am glad the gentleman discusses this question and I am pleased to advise that it is a matter which has given the committee some concern. However, this is an appropriation committee, not a legislative committee. For 2, 3, or 4 years we have called the matter to the attention of both the Public Health Service representatives and the Children's Bureau representatives to get an expression as to the advisability of reorganizing or consolidating these two activities. But it is difficult to get a commitment from either one. It is my judgment the initiative will have to be taken by a legislative committee, and I am interested and will be interested in the outcome of the bill to which the gentleman referred.

Mr. MILLER of Nebraska. I thank the gentleman for his comment. I realize it is a legislative matter but I wanted to bring it before this committee in the hope that some legislation might be brought in which will combine these various activities because it does make for confusion and misunderstanding and for a much poorer health program within the States to have two agencies paralleling each other in their work. The Children's Bureau will not want the transfer but the Congress must decide these issues. It is in the interest of better public health it should be done.

The other thing I want to discuss is the E. M. I. C. Some day that is going to have to be stopped. I am concerned because some of the physicians of the country are perplexed on account of the rules and regulations under which the program is operating.

Some of the better physicians of the country just will not bother with the red tape and the forms that have to be filled out in order to take care of the individual under the E. M. I. C. program. The

girl does not really have the free choice of her physician. If she had \$75, \$85, or \$100 to spend—I understand it is costing about \$75 a case now—she could go to her own physician and say, "Doctor, I am going to have a baby. I wish you would take care of me without the red tape they have now," and she would get better service. She would feel better mentally. She would feel that she was getting personal attention.

As it is now you are going to find many of these girls not getting personal attention. Some of the better men are just too busy with the red tape and other details of the program to take care of some of these cases.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Do I understand the gentleman is advocating that the Government pay an allotment or allowance directly to the mother or prospective mother to spend as she pleases?

Mr. MILLER of Nebraska. I do not think it would have to be payment direct to the mother, but I think the mother ought to have the free choice of the physician that she would like to go to.

Mr. KEEFE. This law specifically provides that she has that free choice and she can go to the physician of her choice.

Mr. MILLER of Nebraska. That is true, but I will say to the gentleman, because of the red tape involved in the handling of these cases now, the best physicians of the country say, "I am sorry; I am just too busy with other cases. You go to John Jones; he is not so busy. He can take care of your case."

Mr. KEEFE. If the gentleman will read the hearings upon that matter, which were rather extensive, I think he will disabuse his mind of the fact that there is any very extended failure on the part of the medical fraternity of this country to take care of these women. There are a few isolated cases where so-called specialists, who charge large fees for handling their patients, do object to taking care of a patient for the fee which we normally pay to the ordinary practitioner. But experience indicates that that type of practitioner would not be taking care of these people anyway in the absence of this program. As a matter of fact, I may say to the gentleman, from my observation and from contact with physicians in local areas, they are very well satisfied with this program. They are getting their bills paid, and the hospitals are getting their bills paid, and that might not be the case if we were to make an allotment direct to the mother.

Would the gentleman suggest that we make the allotment direct to the mother before or after the child was born?

Mr. MILLER of Nebraska. I do not suggest that we make it direct to the mother, but make it available to her so that she could go to the physician she wanted.

The gentleman says the physicians were satisfied. I happen to have in my

office some 10 resolutions from 10 different medical societies who are condemning the program, so it is not all satisfactory. I want these girls to have the best possible care. I want to eliminate the red tape.

Mr. KEEFE. The gentleman will find all of those resolutions set out in full in the testimony that was taken. They are all in the record.

Mr. MILLER of Nebraska. I am pleased to know they are there. I have not had time to read them. I do think that the Children's Bureau has demanded too many reports and details—it thus discourages not only the physician but the expectant mother. I think one reason some 140,000 mothers did not take advantage of the program last year might be laid to red tape and details demanded. Others did not need financial help.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Michigan.

Mr. DINGELL. Of course, at the time this aid to mothers was considered in the Committee on Ways and Means—and I think the basic and fundamental rules were established by that committee—I remember that we tried and succeeded, I am sure, in permitting the administration of the law to be centered almost entirely in the various States.

In my State of Michigan, so far as the soldiers' wives are concerned, I know that the medical fraternity prescribes the standards, and I believe even passes upon the availability of the physician to minister to these women under these circumstances. If there is any deficiency there, it seems to me probably the medical fraternity is rightfully to blame, and not the law.

Mr. MILLER of Nebraska. I think the gentleman realizes that the medical profession, with some 57,000 of their number in armed forces, is pretty much limited in the extent of the services they can give at home.

Mr. DINGELL. If the gentleman will permit an observation, I grant that that is true at the present time, but I do not think we are dealing with the present time and the present wartime emergency. We are dealing with a general situation.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. DINGELL. Mr. Chairman, I would like to say this in reply to my friend's reference to the fact that many women have not availed themselves of the services rendered under this program. He said it was due to the fact that there was too much red tape on the part of the Children's Bureau. I disagree with that. So far as the Children's Bureau is concerned, I think red tape has been reduced to an absolute minimum.

Is there not a possibility that because of financial independence, some of these women did not fall back upon the service?

Mr. MILLER of Nebraska. Yes; I think that to be true.

Mr. DINGELL. I think we entirely overlook some of those things and say that out of the hundreds of thousands, and probably millions of mothers, there were 100,000 who did not avail themselves of this service because of red tape. I disagree with that. One of the reasons probably was financial independence.

Mr. MILLER of Nebraska. I think that is quite true, although there were some that were not happy about the red tape involved. I know that because of the protests that came in.

This should be an activity for the duration of the war. If it continues and the program extended the cost will be prohibitive. We should not be doing things for people that they can do for themselves. The continued giving of money to the States outright or for matching purposes will never reduce the Federal debt or make people free and independent citizens.

Mr. HARE. I would like to invite the attention of the gentleman to the fact that this program was not inaugurated primarily for the purpose of making a gratuity to the mother. It has a two-fold objective. One was to supplement, in a way, the income of men in the Army, the Navy, and the Air Corps having low incomes. But the primary purpose was to give assurance to these young men who joined the armed forces, and probably would go overseas, where they would be many hundreds, possibly thousands of miles away from home, that their wives would be given good medical care in their absence. Those who framed and sponsored this legislation felt that it would be the better part of wisdom on the part of the Government to insure the soldier or the sailor or this man in the Air Corps that when he left the shores of this country, or went into the armed forces at some distance, that his wife at home would be assured of the best medical attention available. She would be assured of hospitalization and child medical care for 1 year after birth, the idea being that you would have a satisfied soldier, a satisfied sailor, or a satisfied pilot. It was to strengthen the morale of both husband and wife in his absence.

Mr. MILLER of Nebraska. Yes; I agree with the gentleman. That is correct. I have no criticism except as there seems to be too much red tape involved for her to get the physician that she wants. The other thing I want to remind the gentleman about is this: After all, you provide for the birth of a baby but you have not provided for the other emergencies of life. The girl might get appendicitis while her husband is gone, or a broken leg, or the baby might get measles or mastoid trouble. You have gone so far in the care of the individual, why should you hesitate to take the next step?

Mr. HARE. It was not our committee that made provision for the maternity cases. That came from the legislative committee. The responsibility of our committee is only to see that the necessary funds are appropriated to carry out the will of the Congress as expressed in the law.

Mr. MILLER of Nebraska. That is true, but you did appropriate money for

it. If you are going to go just one step, why not take the whole step? This would be complete socialization of medicine and the people, which I oppose.

Mr. HARE. The legislative committee did not go that far, consequently we cannot go that far.

It is a step to socialized medicine. It means regimentation, a lower quality of medical care. The American people are used to the best medical care. These expectant mothers should have the best, minus regimentation; a free choice of physicians should be granted these expectant mothers.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill down to and including page 1, line 7.

Mr. HARE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 4899) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1945, had come to no resolution thereon.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. FITZPATRICK. Mr. Speaker, for the gentleman from Virginia [Mr. WOODRUM] I ask unanimous consent to have until midnight tonight to file a conference report and statement on the bill H. R. 4070, the independent offices appropriation bill, for the fiscal year 1945.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The conference report and statement on H. R. 4070 are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) "making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 23, 40, 45, 48, and 62.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 10, 12, 15, 16, 18, 19, 20, 21, 22, 24, 25, 27, 28, 31, 32, 33, 34, 36, 38, 39, 41, 42, 43, 44, 46, 47, 49, 50, 51, 59, and 61, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$3,750"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$5,821,900"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amend-

ment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$10,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$2,104,500"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$2,500,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$38,000,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$164,044,940"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$1,259,355,440"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 37, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, and 69.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.

RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
STYLES BRIDGES,
WALLACE H. WHITE, Jr.,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and officers for the fiscal year ending June 30, 1945, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 5: Strikes out, as proposed by the Senate, the proposal of the House to appropriate to the Bureau of the Budget \$44,940 for the Federal Board of Hospitalization.

No. 7: Provides that appropriations to the Bureau of the Budget for national defense activities shall cease to be available upon the expiration of 60 days after the cessation of hostilities between the United States and the principal enemy powers, as proposed by the Senate.

Nos. 9, 10, 11, 12, and 13, relating to the Civil Service Commission: Provides \$3,750 for employment of expert examiners not in the Federal service on special subjects for which regular examiners are not available, instead of \$5,000, as proposed by the House, and \$2,500, as proposed by the Senate; strikes out authority for the purchase of motor trucks, motorcycles, and bicycles, as proposed by the Senate; appropriates \$5,821,900 for salaries and expenses, instead of \$6,056,473, as proposed by the House and \$5,766,000, as proposed by the Senate, of which not to ex-

ceed \$90,000 shall be available, as proposed by the Senate, instead of \$113,000, as proposed by the House, for enforcement of the so-called Hatch Act, relating to the prevention of pernicious political activities; and appropriates \$10,000,000 for salaries and expenses, national defense activities, instead of \$12,995,504, as proposed by the House, and \$8,840,000, as proposed by the Senate.

Nos. 15, 16, 17, 18, and 19, relating to the Federal Communications Commission: Strikes out authority for the purchase of passenger-carrying automobiles in the regular and national defense appropriation items, as proposed by the Senate; limits funds available for travel under the appropriation for salaries and expenses to \$39,000, as proposed by the Senate; appropriates \$2,104,500 for salaries and expenses, instead of \$2,209,000, as proposed by the House, and \$2,000,000, as proposed by the Senate; and appropriates \$4,191,143, as proposed by the Senate, instead of \$4,491,143, as proposed by the House, for salaries and expenses, national defense.

Nos. 20, 21, and 22, relating to the Federal Power Commission: Strikes out authority for the purchase of motor-propelled passenger-carrying automobiles, as proposed by the Senate; appropriates \$1,997,000 for salaries and expenses, as proposed by the Senate, instead of \$2,000,000, as proposed by the House; and appropriates \$25,000, as proposed by the Senate, instead of \$30,000, as proposed by the House, for printing and binding.

Nos. 23, 24, and 25, relating to the Federal Trade Commission: Appropriates \$2,011,070, as proposed by the House, instead of \$1,978,707, as proposed by the Senate, for salaries and expenses; provides that not less than \$172,410 shall be available for enforcement of the Wool Products Labeling Act, as proposed by the Senate; and appropriates \$43,000 for printing and binding, as proposed by the Senate, instead of \$48,900, as proposed by the House.

No. 26: Appropriates \$2,500,000 for repair and preservation of buildings outside the District of Columbia, Public Buildings Administration, instead of \$3,000,000, as proposed by the House, and \$2,000,000, as proposed by the Senate.

Nos. 27 and 28: Strikes out authority for the Public Buildings Administration to purchase two passenger-carrying motor vehicles and appropriates \$29,530,800 for salaries and expenses, public buildings and grounds in the District of Columbia, as proposed by the Senate, instead of \$29,532,400, as proposed by the House.

Nos. 31, 32, 33, and 34, relating to the Public Roads Administration: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles in connection with appropriations under the Federal-aid Highway System, and the Inter-American Highway, as proposed by the Senate; appropriates \$10,000,000, as proposed by the Senate, instead of \$20,000,000, as proposed by the House, for the strategic highway network; and appropriates \$4,000,000, as proposed by the Senate, instead of \$5,000,000, as proposed by the House, for advance engineering surveys and plans for bypasses around and extensions in and through municipalities.

No. 36: Appropriates \$640,000 for Foreign Service pay adjustment, as proposed by the Senate, instead of \$722,390, as proposed by the House.

Nos. 38 and 39, relating to miscellaneous expenses, General Accounting Office: Strikes out authority for the purchase of one motor-propelled passenger-carrying vehicle and \$1,400 for the purchase of such vehicle, as proposed by the Senate.

No. 40: Appropriates \$500,000 for valuation of property of carriers, Interstate Commerce Commission, as proposed by the House, instead of \$655,000, as proposed by the Senate.

Nos. 41 and 42: Strikes out authority for the purchase of seven motor-propelled pas-

senger-carrying vehicles, and \$10,000 for the purchase of same, in connection with the appropriation for motor transport regulation, Interstate Commerce Commission, as proposed by the Senate.

Nos. 43 and 44: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles, and \$1,300 for the purchase of same, in connection with the appropriation for the National Advisory Committee for Aeronautics, as proposed by the Senate.

No. 45: Appropriates \$1,042,340 for salaries and expenses, National Archives, as proposed by the House, instead of \$1,084,000, as proposed by the Senate.

Nos. 46 and 47: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles by the Federal Public Housing Authority, and makes an appropriate reduction in the authorization for the use of funds by such Authority for such purpose, as proposed by the Senate.

No. 48: Appropriates \$930,000, as proposed by the House, instead of \$980,000, as proposed by the Senate, for salaries and expenses of the Tariff Commission.

Nos. 49, 50, and 51, relating to the Tennessee Valley Authority: Corrects a typographical error by inserting the word "of", strikes out authority for the purchase and inserts authority for the repair of passenger-carrying vehicles, as proposed by the Senate.

Nos. 58 and 59, relating to the United States Maritime Commission: Authorizes the use of \$38,000,000 for administrative expenses, instead of \$30,000,000, as proposed by the House, and \$39,983,725 as proposed by the Senate; and strikes out authority for the purchase of passenger-carrying vehicles, as proposed by the Senate.

Nos. 60, 61, 62, and 63, relating to the Veterans' Administration: Appropriates \$164,044,940 for salaries and expenses, instead of \$164,000,000, as proposed by the House, and \$163,977,740, as proposed by the Senate; provides \$44,940 for salaries and expenses of the Federal Board of Hospitalization, as proposed by the Senate; restores \$67,200 for the purchase of ambulances, busses, station wagons, and sedans, as proposed by the House, with the understanding that such vehicles shall be used primarily for the purpose of transporting beneficiaries; and corrects the total appropriation for the Veterans' Administration.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments are reported in disagreement:

Nos. 1, 2, 3, 4, 6, and 8, relating to salaries and expenses, Bureau of the Budget, including the maintenance and establishment of field offices.

No. 14, relating to the Legal Examining Unit of the Examining and Personnel Utilization Division, Civil Service Commission.

Nos. 29 and 30, relating to the appropriation for salaries and expenses of public buildings and grounds outside the District of Columbia, Public Buildings Administration.

No. 35, relating to the impoundment of funds for the construction of roads, Public Roads Administration.

No. 37, relating to the designation of an employee of the General Accounting Office to act as Comptroller General.

Nos. 52, 53, 54, 55, 56, and 57, relating to the Tennessee Valley Authority.

Nos. 64, 65, and 66, relating to display of the words "On Official Business", on each motor vehicle and trailer owned or leased by the United States Government.

No. 67, relating to confirmation by the Senate of persons filling positions in the Federal service who receive a salary at the rate of \$4,500 or more per annum.

No. 68, relating to the use of funds by agencies or instrumentalities including those established by Executive order, and requiring that specific appropriations shall

be made for such agencies or instrumentalities after July 1, 1944.

No. 69, correcting a section number.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.

EXTENSION OF REMARKS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that the gentlewoman from Illinois [Miss SUMNER] be permitted to extend her remarks in the RECORD and include therein an editorial by Constantine Brown.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address I delivered before the Polish-American Congress at Memorial Hall, Buffalo, N. Y., on May 28, 1944, entitled "Our Only Course, Our Sole Objective."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. DINGELL. Mr. Speaker, I further ask unanimous consent to extend my remarks and include therein a letter and an unusually interesting advertisement of the Cunningham Drug Stores of Detroit, which appeared in the Saturday Evening Post of May 20.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a sermon broadcast on the Church of the Air program, delivered by the Very Reverend Monsignor James H. Griffiths, chancellor to Archbishop Spellman in the military ordinariate for the armed forces, on the sixth annual memorial mass offered in the amphitheater at the Arlington National Cemetery on Sunday, May 28, 1944.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[The matter referred to appears in the Appendix.]

IMPORTATION OF BEVERAGE CANE SPIRITS INTO THE UNITED STATES

The SPEAKER. Under a previous order of the House, the gentleman from Louisiana [Mr. HEBERT] is recognized for 30 minutes.

(Mr. HEBERT asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. HEBERT. Mr. Speaker, on two previous occasions I have directed the attention of the House to the confusion and chaos which followed the promulgation of the War Production Board's order M-374 on March 9, 1944, relative to the importation of beverage cane spirits into the United States.

On those occasions I expressed the fear that the manner in which the entire problem was being handled would penalize the small importer and react to the advantage of the large and more powerful company.

Subsequent events have justified my fears and today I offer to you the evidence of discrimination and favoritism which has been shown at least one major operator in this country, namely, the Schenley organization which, as you undoubtedly know from the public press, is under indictment for operation in the black market in this country.

When I first brought this matter to the attention of the House I was of the belief that the War Production Board, which issued the order, was the agency to blame. I now find upon further investigation that the War Production Board has merely been acting as a front for the State Department which, in principle, is the Department to be charged with discrimination.

The War Production Board, it now appears, issued authorizations for the importation of beverage cane spirits to the Schenley people only after insistence and demands received from the State Department.

In importing 1,500 barrels of Martinique young rum into this country Schenley is guilty of a violation of the War Production Board order which carries with it a penal clause, and I am submitting this entire matter to the Department of Justice and asking them what they are going to do about it.

It would be interesting to know by what process Schenley becomes the fair-haired liquor importer in this country to the detriment and disadvantage of small and less powerful importers.

It would be interesting to know why Schenley cannot only violate the law, but violate it with the blessing of the State Department.

I submit to you here the documentary proof of this violation and again ask the Department of Justice what is going to be done about it.

I hold in my hand the original order of the War Production Board, M-374, issued on March 9, 1944, which says in the opening paragraph:

It is, therefore, deemed necessary and appropriate in the public interest and to promote defense to allocate facilities for the production of beverage cane spirits (as defined in this order), and to control the importation of beverage cane spirits so as to prevent further uncontrolled diversion of

sugar and molasses to the production of these spirits.

Reading from that order I quote paragraph 3 of section A, which defines what is meant by "import," and I read it to you:

Import means to transport in any manner into the continental United States from any foreign country or from any Territory or possession of the United States. It includes shipments into a free port, free zone, or bonded custody of the United States Bureau of Customs (bonded warehouse) in the continental United States and shipments in bond into the continental United States for transshipment to Canada, Mexico, or any other foreign country.

There can certainly be no doubt in anybody's mind what the meaning of import is. A child can understand the thing. I now read to you section C, which sets forth the restrictions on such imports:

Restrictions on imports of beverage cane spirits. On and after March 15, 1944, no person shall import, attempt to import, purchase for import, or make any contract or other arrangement for the importing of any beverage cane spirits without first having obtained authorization to do so from the War Production Board. This paragraph does not apply to beverage cane spirits produced in Puerto Rico, the Virgin Islands of the United States, or in the Territories of Hawaii and Alaska for the reason that the production of beverage cane spirits in these localities is controlled by paragraph (b) of this order. This paragraph applies to the importation of beverage cane spirits, regardless of the existence on March 15, 1944, or thereafter, of any contract or other arrangement for importation.

Can there be doubt in anybody's mind what that section says? Of course there cannot. It is in plain English, understandable to everybody.

But in order to emphasize my point I repeat the language of the first sentence, which says that—

On and after March 15, 1944, no persons shall import, attempt to import, purchase for import, or make any contract or other arrangement for the importing of any beverage cane spirits without first having obtained authorization to do so from the War Production Board.

I do not think there can be any doubt in anybody's mind about what is meant and what is ordered, yet what do we find?

On April 4, in the port of Fort de France at Martinique, there was assigned to the Schenley Corporation in defiance of this order on the French vessel *Duc de Doumle* 1,500 casks of rum, or 104,289 gallons, from a shipper, one Jean Joseph, at Martinique, consigned to the credit of the Schenley Corporation by Ittman Bros., who are brokers. I charge that Schenley did have the rum loaded on that vessel.

Is there anyone so naive as to believe that Schenley, with its long standing operations in this country and in Martinique did not know what was going on?

Is there anyone so naive as to believe that Schenley, if it did in truth desire to prevent this violation of the law and prevent the loading of this vessel could not have done so?

I might be naive, but certainly not that naive.

Keep in mind these dates because they are important.

On March 9 the War Production Board issued its restrictive order to become effective on March 15 and told the liquor importers of this country, "You cannot import into the United States, without first receiving the authorization of the War Production Board, any beverage cane spirits prohibited by this order."

It made no exceptions. It did not tell the big fellow, "You can do it," and the little fellow, "You can't." It was an over-all restriction.

Yet we have the acknowledged fact that approximately 3 weeks later, without authorization of the War Production Board and in direct violation of the War Production Board's order, in the interest of the Schenley Corporation, the first step was taken to get rum into this country. This vessel arrived in New Orleans on April 20, and on April 24 the inward manifest entered at the custom house in New Orleans showed that this consignment of rum was to the credit of the Schenley Corporation, and still there was no authorization issued by the War Production Board.

The records will show that the authorization of the War Production Board to Schenley to take this rum into this country was only issued on April 26, 1944, 26 days after the vessel had left Martinique and 6 days after it had put into the port of New Orleans.

I submit to you, ladies and gentlemen of the House, is there any doubt in anybody's mind that the law and order of the War Production Board had been clearly violated?

I now point out to you further, however, the penal clause of the order and emphasize the last sentence:

Violations: Any person who willfully violates any provision of this order, or who, in connection with this order, willfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any person may be prohibited from making or obtaining further deliveries of or from processing or using material under priority control and may be deprived of priorities assistance.

I repeat and direct your attention to the last sentence, which says:

In addition, any person may be prohibited from making or obtaining further deliveries.

But what did actually happen? After violation of the order the Schenley Import Corporation on May 5, approximately 2 weeks after the original violation, instead of being punished for flaunting the law and disregarding the order, was further rewarded with an authorization for an additional 4,500 barrels containing 360,000 proof gallons.

Keep in mind that while Schenley was thus being allowed to import this rum into this country there were on record with the War Production Board applications representing distress cases involving approximately 500,000 gallons of rum from Mexico and 200,000 gallons of rum from Cuba.

These distress cases represented instances in which importers, prior to the effective date of the order, had already

Mr. COFFEE. Mr. Speaker, I wish to speak briefly—briefly only because time is limited—about an amendment to the agricultural appropriation bill which affects the future of a program vital to the health of American school children. I am referring to the authorization to continue the appropriation of \$50,000,000 for the school-lunch program. The Senate hearings held May 2 through May 5 indicated that there is continued need for Federal assistance for this community-operated program. At the hearings no one offered testimony which disputed either the need for the program or the need for Federal participation in the program.

The thought of hungry children in America is repugnant to all of us. Yet in this year of our greatest national income there are thousands of children who for one reason or another are not getting enough of the right kinds of food. Their mothers may be working in war plants or on farms for example, and may have neither the time nor the energy to buy and prepare nourishing foods. Some parents do not know about nourishing foods. In other families the father's wages may be insufficient to provide for the family's needs.

The school-lunch program as it has operated in the past year has assisted in providing at least one health-building meal a day to approximately 5,000,000 children in some 30,000 schools. As a result the strength and well-being of the Nation's school children has been improved.

At the same time the school-lunch program as it now operates has helped to stimulate necessary war food production. School lunches are a dependable and desirable outlet for abundant foods purchased in fulfillment of price-support commitments. We are always looking, of course, for ways to develop new agricultural markets. They will be equally important to American agriculture in the years which will follow the peace.

The school-lunch program has acquainted thousands of youngsters with good, wholesome foods such as oranges, grapefruit, carrots, whole-wheat bread, and numerous dairy products, which are not usually found in the diets of low-income families. When children learn to eat these foods in school they take ideas home. Information is available which shows that the serving of milk at school frequently increases the consumption of milk at home. I think we are all aware of the importance of milk in the diet of the growing child. We also are aware of the importance of this milk-drinking habit to the dairy farmers of America.

A great deal of time and thought has been put into the creation and development of this program. It has been developed and expanded over a period of 9 years. A great many people, in addition to those employed in the Government, have helped to get this very worthwhile program under way. Every Federal dollar which has gone into the program has performed the dual service for which it was intended—first to improve the health of our children and second to aid American agriculture. This also

is true of the \$2 the community puts in for every \$1 the Federal Government spends. If Federal assistance were to cease now, both these services would be impaired because countless communities could not operate their local programs without some Federal aid.

As the school-lunch program has operated in the past year it has been truly a community enterprise maintaining all the democratic principles we so firmly believe in and for which we are fighting. It has its roots in the local school, township, county, and city, wherever there are children to be fed. Since Federal assistance takes the form of reimbursement for part of the food costs as well as donations of abundant foods, the sponsoring group, which may be the local authorities or any civic-minded club or association, has to seed out and provide the rest of the food costs, and the equipment and help it takes to plan, prepare, and serve the meals and clean up afterward. Those children whose parents can afford it, pay for their lunches. Those who cannot are served as much and as good food as the others, and there is no singling out of these children.

Each local school-lunch program has a sound nutritional basis. The pattern for a good nourishing meal has been outlined by the War Food Administration in accordance with the standards of the Bureau of Human Nutrition and Home Economics. The description of the complete noon meal, or type-A lunch as it has come to be known, is in terms that everyone can understand—not in scientific language—and in that way it is teaching many people what our nutrition experts have found to be good, adequate fare for a growing child's meal. This does not mean, however, that in every place the same meal is being served. On the contrary, the pattern allows for local customs and food habits—baked beans in Boston and Chile beans in New Mexico; chicken and rice in Louisiana and chicken and noodles in Wisconsin—all good school-lunch main dishes if served in sufficient quantity along with vegetables or fruit, bread and butter and milk.

Those of us who believe that every child should be well fed do not want to see the school-lunch program curtailed. Where it is needed the most, we find the fewest local resources to carry on. The Federal-indemnity program, small as it may seem—the maximum rate is 9 cents for a complete meal—has been the deciding factor in keeping many programs operating. If Federal assistance were removed, thousands of programs would have to be disbanded and others would be unable to serve an adequate meal at a price children could afford to pay. For many children, the lunch at school is the main meal of the day; for some it is the only meal that can honestly be called by that name.

It would indeed be a difficult thing for me to explain to the people in my State why we should let this program die by default when we are sending American dollars and American food to other lands which have had the foresight to feed their children in school programs. In England, school dinners have been on

the increase. Lend-lease foods have aided this program immeasurably.

Federal funds allotted to school-lunch programs have been used wisely and accountably. Each school must keep a careful record of its income and expenditures to show that the money has been used to serve good, wholesome meals to children. Wherever a community can provide a nutritious lunch with less than the maximum amount of Federal aid, because the income level of the community makes this possible, reimbursement from the Federal Government is reduced proportionately.

Letters from my State of Washington are typical of the expressions of the benefits of this program which have come from other States. From a school superintendent in Lake Stevens, Wash., comes this statement:

Our policy has been to furnish a well-balanced and nutritious lunch at a low cost. The children in our community come from homes of working people or laboring class, for the most part, and in the past their incomes have been low. Our lunch program has helped a great deal. For the past 4 years we have had school gardens and have frozen perishable vegetables as well as small fruits. This year we have 3,300 pounds of fruits and vegetables frozen. It practically all came from our gardens or from the immediate community.

One item in this program that is helping a great deal is the more simplified method of reporting. We school administrators are certainly short of clerical help.

From Pioneer, Wash.:

The attendance this year is considerably better than it was last year. There is no way of telling how much credit can be given to the hot-lunch program, but there are some facts to consider.

This year we started in October, while last year we started in January. Last year we provided one hot dish with no milk. This year we are able, through Government aid, to provide a complete lunch including milk.

I really think the Government aid will pay off in better health of the children.

From Snohomish, Wash.:

We have a number of students who come from homes where both parents are working. In many such cases the students' meals are unplanned and irregular. Even in the better homes the noon lunch is seldom planned as a complete meal.

In our high-school cafeteria, students are able to obtain well-cooked, well-planned meals at a minimum cost in pleasant surroundings. Many students who formerly rushed home or carried a lunch are now eating hot meals in the cafeteria.

From a school principal in Odessa, Wash.:

This is the third year that we are serving school hot lunches; the first year that we are serving a complete hot lunch.

We have several families who have moved into our district from a Southern State (West Virginia). The parents are very poor, and the children are undernourished. We often wonder here at school whether the children from these families had enough breakfast when they come to school, because they are hungry when they come to school and want to get into the lunch bags of those children who prefer to bring some lunches from home. At noon we always give these children all the milk and other food they want to eat. Since they have started school and we have hot lunches we can say that the little first graders of these families look better and are

not as hungry as they were before we served hot lunches at the beginning of our school term in September.

Many children in our district do not get raw milk to drink at home and several are staying here for hot lunches just to get the milk to drink. We are fortunate that we can buy all the raw milk we need in our district. The milk is tested and passes all inspections. I think that our lunches with the balanced menus are very educational in our district. Many of our children come from families who do not have balanced meals and I am sure that by serving balanced meals in hot lunches many go home and speak about that they must have milk, vegetables, fruit. It is surprising how fond our children are of raw carrots. We serve carrot sticks with almost every meal and the children always call for more beside the other salads and fruits.

I hope we can continue getting help from the Government to serve hot lunches.

Surely after the eloquent testimony from those who should know, there can be no question as to the twofold value and importance of the program. We must continue Federal aid, and I hope the record will show we continued it wholeheartedly and with enthusiasm.

(Mr. COFFEE asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Nevada [Mr. SULLIVAN].

[Mr. SULLIVAN addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. SULLIVAN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. ZIMMERMAN].

Mr. ZIMMERMAN. Mr. Speaker, as a member of the Committee on Agriculture I supported this legislation before the committee and shall support it at this time. I think it is one of the most far-reaching programs we have undertaken, and I hope that it passes today.

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. EBERHARTER].

[Mr. EBERHARTER addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. EBERHARTER asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. FLANNAGAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentleman from Kansas to the motion offered by the gentleman from Virginia.

The amendment was agreed to.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia [Mr. FLANNAGAN].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 113, noes 23.

So the motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 29, 1944.)

Mr. WOODRUM of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I take this time merely to state that I am in favor of the adoption of this conference report and to point out that the report, exclusive of the items which still remain in dispute, is at the present time some \$15,000,000 below the House bill and about \$38,000,000 below the Budget estimates.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Illinois [Mr. CHURCH] to submit a unanimous-consent request.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made a while ago.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. WOODRUM of Virginia. Mr. Speaker, Senate amendments in disagreement numbered 1, 2, 3, 4, 6, and 8 relate entirely to the Bureau of the Budget. Some cuts were made in the Senate. They are all interrelated. The conferees would like to go back for further conference on them. I ask unanimous consent that Senate amendments numbered 1, 2, 3, 4, 6, and 8 be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read, as follows:

Senate amendment No. 1: Page 3, line 18, strike out "periodicals and newspapers (not exceeding \$500)" and insert "and periodicals."

Senate amendment No. 2: Page 3, line 19, strike out "teletype news service."

Senate amendment No. 3: Page 3, line 21, strike out "and not to exceed \$55,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended."

Senate amendment No. 4: Page 4, line 1, strike out "\$2,290,340" and insert "\$1,830,400."

Senate amendment No. 6: Page 4, line 8, strike out ", and including the temporary employment (not exceeding \$65,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes, and the Classification Act of 1923, as amended."

Senate amendment No. 8: Page 4, line 25, insert "No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of regional field, or any other offices outside the District of Columbia."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, and 8. The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: On page 9, after line 17, insert the following: "No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order No. 9358 of July 1, 1943."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 29: On page 21, line 6, after the word "employees", strike out the remainder of the line and all of lines 7 and 8.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

[Mr. FITZPATRICK addressed the House. His remarks will appear hereafter in the Appendix.]

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: On page 21, in line 13, strike out "\$10,581,000" and insert "\$9,581,000."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: On page 29, after line 1, insert "All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby

released and made available for obligation or expenditure for the purposes for which they were originally appropriated."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 37: On page 29, in line 25, beginning after the figure "\$37,000,000", insert "Provided, That the Comptroller General shall designate an employee of the General Accounting Office to act as Comptroller General during the absence or incapacity of the Comptroller General and the Assistant Comptroller General, or during a vacancy in both of such offices."

Mr. WOODRUM of Virginia. Mr. Speaker; I move that the House recede from its disagreement with the Senate amendment No. 37, and concur in the same, and I ask for recognition.

The SPEAKER. The gentleman from Virginia [Mr. WOODRUM] is recognized.

Mr. WOODRUM of Virginia. Mr. Speaker, this amendment was placed in the bill by the Senate on the recommendation of the Comptroller General. It appears that upon occasion, and there have been several, the Comptroller General and his assistant are both absent and there is no one at the General Accounting Office who can act officially for the Comptroller General. He has requested authorization that upon such occasions he might have the privilege of designating someone to act officially in his absence.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

Mr. WOODRUM of Virginia. Mr. Speaker, amendments Nos. 52, 53, 54, 55, 56, and 57 relate to the Tennessee Valley Authority. They are all interrelated and are the so-called McKellar amendments to the Tennessee Valley Authority.

Mr. Speaker, I ask unanimous consent that they be considered en bloc.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendment No. 52: On page 52, in line 8, after the word "field" insert "\$79,134,882, to be accounted for as one fund known as the 'Tennessee Valley Authority fund, 1945,' to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944'; and."

Amendment No. 53: On page 52, in line 14, after the word "and", insert the word "all."

Amendment No. 54: On page 52, after the figures "1945" in line 16, strike out the remainder of the line and all of line 17.

Amendment No. 55: On page 52, after line 17, insert, "and subsequent fiscal years."

Amendment No. 56: On page 52, line 18, after the word "covered" insert the word "quarterly."

Amendment No. 57: On page 52, line 19, after the word "into" strike out the remainder of the line and through the figures "1944" in line 23, and insert the words "general fund of the Treasury of the United States."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendments.

Mr. WIGGLESWORTH. Mr. Speaker, I have a preferential motion.

The SPEAKER. The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement with the Senate amendments and concur in the same.

The SPEAKER. The gentleman from Virginia [Mr. WOODRUM] has the floor.

Mr. WOODRUM of Virginia. Mr. Speaker, this is not a new matter before the House. On at least one occasion, and perhaps on other occasions, an effort has been made in the other body to amend the basic Tennessee Valley Authority law by inserting a provision in the appropriation bill. The House has consistently opposed such amendments and has acted emphatically each time, and the Senate has yielded. Section 26 of the T. V. A. Act provides in part as follows with reference to funds of the Tennessee Valley Authority which are taken in as receipts collected from the sale of power and for other services. I quote:

Such funds shall be paid into the Treasury of the United States at the end of each calendar year save and except such parts of such proceeds as in the opinion of the Board shall be necessary for the corporation in the operation of dams and reservoirs in conducting its business in generating, transmitting, and distributing electrical energy and in the manufacturing, selling, and distributing of fertilizer and fertilizer ingredients.

Now the effect of these amendments inserted in the other body is to change the basic T. V. A. law and it is my position now, as it has been my position in the past on such amendments, that regardless of the merits or demerits, if Congress wishes to change its basic policy with reference to the Tennessee Valley Authority, it should be done after a bill has been introduced and orderly hearings had upon it and some conclusion has been reached by the committee having jurisdiction. I am not going to consume further time because there are gentlemen here who are vitally interested in the Tennessee Valley Authority and who understand it thoroughly.

At this time I yield 10 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, the T. V. A. was built for the people of the United States. It has accomplished this great purpose in a very efficient and business-like manner and should continue as at present. A few years ago a joint committee of Congress, composed of some of the most distinguished Members of the Senate and House, made a thorough investigation of the T. V. A. which resulted

in this great enterprise being given a clean bill of health. The T. V. A. has done a splendid job and is worthy of the continued confidence and support of Congress and the American people.

It is with regret that I find myself in disagreement with my lifelong friend, the distinguished senior Senator from my native State of Tennessee, but this matter is of such far-reaching importance that I cannot refrain from disagreeing with him on this great issue.

It is most regrettable that proposals such as these embodied in the amendments affecting T. V. A. should be attached as riders to the independent offices appropriation bill. They are purely legislative and should never have been presented for consideration except through the orderly process of committee procedure, with a record of examination into all of the relevant facts. Such amendments should certainly not be proposed at all in time of war. For at one stroke their adoption would hamper essential war production, destroy efficient management, and threaten the continuity of power service to the whole Southeast.

There can be no dispute about the danger. There can be no dispute that if such amendments were ever agreed to, the operations of this vast public enterprise would be taken out of the hands of qualified technicians and delivered over to public officials without technical training or experience in this type of enterprise.

The decision is in the hands of this House. The question is simple. Is the great public investment in the T. V. A. going to continue to be used for the benefit of all the people? The answer should certainly be in the affirmative. Not a single Member of this House from the area immediately concerned is in favor of these amendments. We do not seek to influence or to control the management of this great public power system. We are not seeking an opportunity to select T. V. A. employees.

We do not feel that we are prepared to make the important decision as to when or where lines shall be built or repaired, where service shall be expanded or what the rates will be. Questions of general policies should be determined by Congress, and Congress should hold the management of T. V. A. responsible for carrying out those policies. The details of management of T. V. A.'s power system should continue as at present. We are asking that T. V. A. should continue to be managed as it is now managed, honestly and efficiently without fear or favor, for the benefit of all the people.

Let me make this further point clear beyond a doubt. Not one of us is asking that power service in the area we represent should be maintained and operated at the expense of the taxpayers from other regions of the country.

In years past we have come before the House to urge that this river system be developed just as other rivers all over the country have always been improved as an expression of national policy and with benefit of Federal funds. We knew

and argued that such investment would be well repaid in benefits to the Nation, that it would permit this whole region to contribute more abundantly to our national life. The years have proved us right. I need not labor that point. The change the establishment of T. V. A. has brought to the Tennessee Valley is known all over the world. The investment in navigation and flood control, in soil conservation, will pay out a hundredfold. There is no doubt about it.

The taxpayers' investment in power facilities will pay out in that same way, too. By contributing to a stronger region, it contributes to a stronger nation. But this is a business operation. And the taxpayers' investment in business facilities was intended to pay out directly in actual dollars. Congress settled that in the act creating T. V. A. We established that policy. We told the board of T. V. A. to market its electricity at rates which would make the project both self-supporting and self-liquidating.

Congress made perfectly clear that the operation of this power system was not to be subsidized; that revenues, which are payments from consumers, were to pay the costs of operation just as they are expected to do in other regions where service is received from private companies. Revenues are paying those costs. Consumers of power are paying all the costs of operation; they are paying an allowance for depreciation; they are providing the sums required to permit T. V. A. to make payments in lieu of taxes to the States and counties of the area exactly as consumers are expected to do if they buy their power from a well-managed private corporation.

In 1943, after all such costs had been met, those consumers had provided a net income of over \$13,000,000, a return of about 5 percent when applied to the average investment in power facilities throughout the year. That net income, through which the cost of power facilities will finally be liquidated, can continue only if the system is well managed. Such results are not haphazardly achieved. We ought to remember one special characteristic of this public power system. It has to pass a more rigid test than was ever set for any private enterprise and a more rigid test than is applied to most activities of government.

A private business is considered a success if it makes a profit. A public enterprise is called successful if it benefits the people. The power system of T. V. A. has to accomplish both objectives. Its rates have to be low enough to encourage the widespread use of power and high enough to make money. It has to benefit the people and at the same time show a profit. Only good management can do it. So far we have had it. It is up to the House to determine whether or not good management will be permitted to continue.

Thanks to the Members who have preceded me in discussion on the floor, the issue is clear. As has been pointed out before, perhaps this is the first time the question of management has come before us in this single fashion. Usually it is a distraction, hopelessly involved

with decisions on other important questions of national policy. This time it comes alone. By this vote we are not going to decide whether the natural resources of the Tennessee Valley should be developed and the waters of an unruly river controlled. That issue was decided 11 years ago. We are not voting now to give that varied job to one Federal agency instead of dividing it up among a dozen. The act creating T. V. A. took that important step in Federal administration.

This is not a question of public versus private power development. That was settled for this area long ago. It was settled by the Congress when the T. V. A. statute was adopted. It was settled when funds were made available to build multipurpose dams, when a steam plant was constructed; when the issuance of bonds was authorized to purchase the generating and transmission facilities of certain private utilities, and T. V. A. became the sole source of power supply for the area. It was settled when the people, in local units of government, in towns and cities, and on farms voted to own their own systems of distribution and to purchase power at wholesale from T. V. A.

The only question before us is how that public power system, now established, should be managed. The question before us is how that \$500,000,000 power investment shall be safeguarded. Are those dams and powerhouses going to be run by experts at the site of operations or by public officials from Washington? Are the engineers of T. V. A. going to decide when lines should be extended or repaired; when new transformers are required; or is the Congress going to determine those technical questions? Are the payments made in lieu of taxes to be paid by T. V. A. from its power revenues in accordance with the formula adopted by the Congress, clear and fair and open? Or is the sum to be fixed each year as one item of the appropriation bill, with each Member concerned fighting for the real or fancied rights of the counties in his district?

Those are the realities to be decided when we vote on these T. V. A. amendments. The answer seems clear to me. It is unthinkable that Congress should ever abandon the present system and let the smell of pork taint the atmosphere around the T. V. A. I feel confident the House will answer in the negative.

These amendments are wrong in principle and hopeless in practice. As has been so ably set forth by my colleagues who have spoken on this issue, the essential and unique characteristic of the T. V. A. Act is that Congress adopted the best principles of modern business management for this Government operation. Congress properly reserved to itself control of major policies, set forth objectives in some detail, then put responsibility for management squarely on the Board of T. V. A. T. V. A. was to be judged by the results.

Every Member of this House, people all over the world, know how magnificent those results have been. The wisdom of the Congress has been vindicated. Everybody knows now by contrast what

the practical effects of the system proposed in these amendments would be. Speakers preceding me on this floor have presented the situation in considerable detail. They have shown how as a practical question it would be impossible for the men on the job to prepare estimates of operating expenses almost 2 years in advance. They have shown how it would diffuse responsibility, encourage extravagance, how it might bring disaster if the need for funds for unanticipated expenses should develop when Congress was not in session. The difficulties and the dangers described are totally unnecessary to incur. They can be avoided by this simple means. We can reject these amendments.

There is nothing in the least unusual about continuing the present system and requiring the T. V. A. to support and liquidate its power system out of its receipts. Government corporations customarily have the use of their receipts in their business operations. That is a recognized business necessity, whether the business is operating a corner grocery, running a steamship line or a railroad. But in no business, operated by public or private enterprise, is it so essential as in the operation of a power system like T. V. A.'s.

It is fruitless to compare the problems of such an operation with the problems of any other agency of government. T. V. A. is unique. It is the only federally owned power system, generating power both at dams and steam plants, which is the sole source of power supply for a given area. Sometimes I think it is not fully understood that, except for a few large industries and 10 military establishments, the customers of T. V. A. are municipalities, 84 of them, and cooperatives, 45 in number. They own the distribution systems themselves; they serve the individual customers; they are managed by local businessmen; they are the ones whose communities would suffer if these amendments were adopted.

The confidence of all those communities would be destroyed if these riders were agreed to. Each year their eyes would be fixed in apprehension on the Appropriations Committees of the Congress as those committees struggled to determine, some 18 months in advance, just what the costs of operation of a great power system ought to be over a fiscal year, yet such peculiar problems would be before the committees for decision.

Those committees would have to recommend how many substations and transformers would be required, what lines should be built and of what material, where repairs were likely to be necessary. Such a system would be impossible. Year after year, for 9 years now, our able committee has reported, and this House has approved, bills which follow the principles adopted by Congress in the T. V. A. Act, and the receipts of T. V. A. have been devoted, first of all, to the expenses of its business operations. Members representing the area served have never been required to plead that a safe margin should be appropriated to guarantee continuity of power supply in

the face of every conceivable adverse circumstance. We hold the management of T. V. A. responsible to provide that margin; we expect their operations to be soundly conducted; we expect them to use their receipts to meet the day-by-day expenditures of operation, whether the operations are routine or made difficult by unusual conditions or acts of God, such as storms, and so forth. It is their job. We expect them to do it without interference.

This is the system that should be continued. All of the people of the area served by T. V. A. should be able to feel confident that their source of electric power—this necessity of modern life—will always be protected. They should be able to know that service to a county and town, to an industry or a farm, will always be available. The taxpayers of the whole Nation should be able to know that their investment and interest in this public power system will continue to be safeguarded and protected as is now being done.

The Members of the region served by T. V. A. are appealing for this result. We are asking that the faith of the people in their Government shall not be impaired, as it would be impaired if these amendments were adopted. We remember the simple inscription written in the enduring structure of every dam built by T. V. A. We want everyone to continue the feeling of confidence when he reads the honest words, "Built for the people of the United States."

(By unanimous consent, Mr. COOPER received permission to revise and extend his remarks.)

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I have offered this motion to recede and concur in the Senate amendment because I cannot escape the conviction that the amendment is absolutely sound in principle, and because I cannot feel that if adopted, the amendment will in any way handicap any proper activity of the T. V. A.

All the so-called McKellar amendment does is to require that the balances and earnings of the T. V. A. be paid into the Treasury and that funds be appropriated by the Congress for the activities of T. V. A., just as funds are normally appropriated for other Government agencies.

Under the present law which the gentleman from Virginia [Mr. WOODRUM] has read, you will note the requirement that the Authority's income shall be "paid into the Treasury of the United States at the end of the calendar year save and except such part of the proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs in conducting its business of generating, trans-

mitting, and distributing electric energy," and so forth.

In other words, as the law stands now—I do not say that it has been done as a practical matter, but as the law stands now—the T. V. A. could withhold every cent of its earnings in any year and apply them in its own discretion in the conduct of its business without any control by the Treasury or by the General Accounting Office.

I think that is a fundamentally wrong condition. I believe the adoption of the McKellar amendment will cure it.

I see no reason, Mr. Speaker, why in respect to a governmental activity on which Uncle Sam has expended over \$800,000,000 and which has an annual expenditure of around \$80,000,000 we should not have the normal Treasury control.

It has been asserted in another body that the T. V. A. for lack of proper control has in fact been guilty of improper expenditures and the overruling of exceptions taken by the General Accounting Office.

It has been asserted that the T. V. A. has in fact been guilty of improper investments, including preferred railroad stocks and preferred industrial stocks.

It has been asserted that the T. V. A. has in fact been guilty of improper action under the antitrust laws.

I have neither the time nor the information, Mr. Speaker, to go into the charges to which I have referred. I offer the motion to recede and concur on the broad principle that funds of this character should be covered into the Treasury; that there are altogether too many exceptions to this rule at this time; that the rule should be applicable not only to T. V. A. but to every possible agency of Government.

I do not see how its adoption can interfere in any way whatsoever with any legitimate function of the T. V. A.

The opportunity is here to correct what seems to me to be a fundamental error in the law. I hope the House will conclude to recede and concur in the Senate amendment.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Speaker, the gentleman from Massachusetts, who has just spoken, correctly states that this amendment will require all receipts of T. V. A. to be paid into the general fund of the Treasury. What would this mean? It would mean that every time a consumer in Tennessee paid his light bill the money would go, not into the operating fund of the T. V. A., which would be the case with every other utility in the United States, but it would go directly into the general fund of the Treasury just as if that consumer were paying taxes. Once in the general fund there is no earmarking, the funds are commingled. The only way T. V. A. or any other agency could get money out of the general fund would be through appropriation by Congress.

The gentleman from Massachusetts says he does not see how this would interfere with the legitimate operations of

the T. V. A. Well, let us suppose that an act of God occurs in the Tennessee Valley area, some lines are blown down, a flood occurs, or a drought. Congress would not have previously appropriated funds to take care of that contingency. In this event, it would interfere with the legitimate operations of T. V. A., because the legitimate operations of T. V. A. along with its navigation, flood control, and fertilizer programs, are to furnish electrical energy service to the people of that area.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. WIGGLESWORTH. Notwithstanding what the gentleman has stated, it seems to me it is still within the province of the Congress to make any provision the Congress wants to.

Mr. GORE. What the gentleman from Massachusetts is saying is that Congress could set up a large contingent fund and take care of such situations in that way. Contingent fund is another name for blank-check appropriations, and I am surprised to hear the distinguished gentleman from Massachusetts, a leading member of the Republican Party, suggest this as a satisfactory method.

Under the program set up for T. V. A. the Authority is required to pay into the general fund of the Treasury at the end of the year its net profits. During the year the T. V. A. uses its receipts to pay its ordinary operating expenses. The net proceeds, as I say, go into the Treasury. That is a business-like way for this huge publicly owned business to operate.

The people of that area do not want to see this big business forced to adopt hampering and unbusinesslike methods. Whether we like it or not, T. V. A. is big business; it is one of the biggest utility systems in the world and it is owned by the people of the United States. It is therefore a concern of every taxpayer and every Congressman that its business be operated efficiently. It is so operated under the present system.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield further?

Mr. GORE. I yield.

Mr. WIGGLESWORTH. The gentleman does not deny that under the wording of the present law every cent T. V. A. may earn in the course of its current operations could be withheld and used for its own purposes.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. KEFAUVER. The gentleman from Massachusetts is assuming something they have never done; he is talking about something that never has happened.

Mr. GORE. Under the present law the T. V. A. could only use its receipts for legitimate operating expenses. It could not, for instance, use its current power sale receipts to begin construction of a new dam. That would have to be authorized and appropriated for by Congress.

Mr. Speaker, all of the receipts of T. V. A. are now paid into a special fund within the Treasury. Out of this fund the T. V. A. pays for the operation of its

trucks, its power-line servicemen, its many ordinary operating expenses. At the end of the year what is left as profit out of that special fund within the Treasury is then paid into the general fund of the Treasury.

I submit that it is fruitless folly to require an immense business operation like the T. V. A. to comply with the self-same principles that govern every little bureau here in Washington. The men who run T. V. A. need to be down there when we have a storm, they need to be down there in the area when a transformer burns out. We cannot do it from here.

The people who must depend upon T. V. A. for electricity do not want it operated by political hacks of either the Democratic or Republican Party. They prefer that it continue to be run efficiently on a business basis by people selected not because of how they vote but because they are qualified to do the job. They want to be sure that the light will come on when they turn the switch.

The vast operations of the T. V. A. cannot be compared, and should not be confused with an ordinary governmental agency. It is one of the Nation's largest utility systems. To require the T. V. A. to operate on the self-same principles as the O. P. A., for example, would be utter folly.

It has meant a great deal to my region. It has brought about lower electrical rates, rural electrification to many farms, greater industrialization, and many other benefits.

But what happens to T. V. A. can by no means be regarded as a local question. It is a national problem requiring the earnest consideration of every Member of Congress.

After all, the people of the United States have invested over \$800,000,000 in this project—a huge investment. It belongs to the people and what happens to this enormous investment is a problem of all the people.

My colleagues, especially those who do not live in the T. V. A. region, may properly ask the question, "What have the people got for their money?" This question can be answered, I believe, satisfactorily.

First, let me point out the utterly invaluable contributions of the T. V. A. facilities to the war program. Electrical energy, one might almost say, is the lifeblood of modern war production. When war descended upon us with such sudden treachery and our need for planes became so acute, the Nation had this great source of electrical energy for production of aluminum. Electrical power from the T. V. A. facilities has produced a major part of the aluminum for America's aircraft. At one critical point of the war, it produced more than one-half. And let it be remembered that to make one large bomber takes more electricity than the average American family would use in 400 years.

But aluminum is only one example. The production facilities brought into being by and because the T. V. A. has turned out a record of war production which, once the full story can be told, will, in my opinion, forever justify this great national development and invest-

ment. Even now, one of the Nation's largest, most strategic, and highly secret war projects is under urgent construction somewhere within the valley, served by T. V. A. power.

The T. V. A.'s contribution to the war, however, is not the only thing the people of the Nation have to show for their money. The T. V. A. and its far-flung facilities can conservatively be regarded as a very valuable capital asset. Its properties are new and it is, in fact, a going concern of proven feasibility.

For one direct benefit to the Government, the per-capita level of income of the region's people, though still far too low, has shown a healthy increase. By 1940 the per capita income of the seven Tennessee Valley States showed a 73-percent increase over the level of 1933, while the national increase for the same period was only 56 percent. As a result of this increased income the increase in income taxes paid to the Government from that region is considerably above the increase for the country as a whole.

The benefits to the Nation by making this great river navigable must be considered as similar to the benefits of making many others of the Nation's rivers navigable. The benefits go not only to shippers, industries, and consumers using the Nation's navigable channels, but the business enterprise and the economic activity of the entire Nation is given a boon, thereby benefiting the whole people. Similarly, we must consider the flood-control investment on the Tennessee River and in that valley as a protection from hazards similar to that provided by flood-control projects on many others of the Nation's streams.

I mention some of the above things not to avoid a dollar-and-cents question on the Nation's investment in T. V. A. power facilities but to emphasize that the power facilities are by no means the only national benefit from the T. V. A.

As to the power, the answer is not so difficult, because power is sold and revenues provide a dollar-and-cents measurement. It is not a discouraging record, either. For instance, during the last fiscal year income from power sales amounted to more than \$31,500,000. After deducting the expenses to produce and distribute that power, including tax payments and liberal depreciation allowances, there was a surplus of more than \$13,000,000. This would indicate that the people have made a good investment in these power facilities.

During the current fiscal year the T. V. A. has already retired \$2,000,000 in outstanding bonds out of current receipts.

So much for the wonderful record of the T. V. A., not only to the people who live in the area of the Tennessee Valley Authority but to the Nation as a whole.

Perhaps it would be helpful, Mr. Speaker, to review briefly the history, not of the entire T. V. A., which is not in question here, but the manner of handling the receipts of the T. V. A. By the original Tennessee Valley Authority Act the net proceeds, after payment of its ordinary expenses, were required to be paid into the Treasury at the end of each calendar year. There is no requirement in

the original act that the current receipts be either paid into the general fund or deposited in the Treasury. Insofar as the Tennessee Valley Authority Act is concerned, the T. V. A. Board could select any local bank, or banks, or other financial institutions, in which to deposit its current funds. Only the net proceeds, let me repeat, are required to be paid into the general fund of the Treasury.

But in 1935, upon the joint suggestion of T. V. A. and the Treasury, Congress wrote into the appropriation bill an amendment which permitted the T. V. A. to pay its receipts into a Treasury special fund. In other words, the T. V. A. was given permission to deposit its current receipts, along with appropriated funds, in a special fund within the Treasury. In this way this Treasury special fund is the banker of the T. V. A., holding its funds on deposit and paying its withdrawals.

Far from being a Lillienthal trick, as has been recently alleged, this was and is a sound method for a governmental agency engaged in business operations to safeguard large public funds.

This same provision has been included in every bill appropriating funds for the T. V. A. since 1935. It does not in any way alter the requirement that the net proceeds of the T. V. A. be paid into the general funds of the Treasury or permit the use of receipts on any unauthorized project. The only reason the net proceeds have not been paid into the general fund, after the end of each fiscal year, is that Congress, prior to then, had appropriated these net receipts or balances for use by the T. V. A. These have, nevertheless, been available and, but for these appropriation bills, would have been paid according to law into the Treasury general fund.

The amendment before the House would not permit a deposit of receipts in a special Treasury fund, but, instead, as I have earlier said, would require that all receipts be paid into the general fund of the Treasury as revenue.

This amendment is advocated on the grounds that the T. V. A., like other governmental agencies, should make an accounting to Congress. Now right here, I would like to refute the canard that T. V. A. has not been making an accounting to Congress. The fact is there are few, if any, governmental agencies with a finer record of accounting to Congress than the T. V. A. has. It has been remarkably successful and entirely free of fraud and mishandling of its funds. Its reports to Congress have been full, open, and in more detail than required by law. Its operations are not only audited by the Comptroller General's office but are also audited by one of the Nation's leading private auditing firms. A congressional committee was appointed to investigate the T. V. A., and after an exhaustive investigation gave a very favorable report on its operations.

Now, Mr. Speaker, Congress has neither the time nor the technical staff to operate a large utility. Yet, that is virtually what Congress would be doing if this amendment becomes law.

Permit me to point out some of the difficulties. Every Member of Congress

knows that work on appropriations and estimates for appropriations begins many months before the money is actually appropriated and available for expenditure. As an example, the T. V. A. went before the Bureau of the Budget in September 1943 to present estimates of their expenditures for the fiscal year beginning next July 1 and ending June 30, 1945. The bill presently under discussion embodies these estimates. Fortunately, the T. V. A. is asking for the appropriation of no new money for next year, asking only for the appropriation of the unexpended balance to be used together with its receipts.

The use of its receipts gives to this public utility a businesslike flexibility. Increased expenditures, reflected in increased demands for power which cannot be accurately anticipated, would mean increased revenue. The two would likely offset each other and maybe the increased business would result in a benefit to this agency owned by the people. As an example in point, in 1939, just after the declaration of war by Great Britain, the Aluminum Co. of America, located in this valley, found itself in critical need for more power because of an increasing demand for aluminum. As it happened, the supply of power from its own hydro facilities was actually decreased because of a drought. This company appealed to the T. V. A. for power way beyond T. V. A.'s contractual obligations. The T. V. A. supplied a large block of power, largely by bringing into operation some of its stand-by steam plants. The company paid to the T. V. A. for this power, \$1,600,000. In producing that power, the T. V. A. spent \$1,300,000, leaving a profit to this agency of the Government of \$300,000.

The T. V. A. was able to enter into such a contract because it could use its increased income to pay its increased expense, as other prudent business organizations can do. It could not have done it without considerable delay that would have meant less aluminum, if it had been necessary to wait for passage of an appropriation bill.

Now, suppose that instead of continuing this businesslike method we require the T. V. A., as is proposed by this amendment, to pay all of its receipts into the Treasury as revenue and come to Congress for the appropriation of all of its expenditures for the innumerable details and contingencies for the operation of a very large utility business. How could Congress do this intelligently with our present methods? How could even the T. V. A., and much less the Congress, accurately estimate the detailed expenditures of such a huge business operation a year or more in advance?

The first big contingency would be unpredictability of the weather, particularly in the T. V. A. region. There is always the possibility of a dry year.

The second most important contingency comes about through acts of God, such as flash floods, tornadoes, and storms. These cannot be accurately estimated nor could proper provisions be made for them under the amendment

except, again, through a large contingent fund.

The third large contingency arises out of unanticipated demands for electrical energy—a new industry, for instance, or increased activity on the part of big industrial users, such, for instance, as the demand for more power for making more aluminum, requiring new transformers and substations.

Another large contingency might arise out of a major break-down of large generating or transmission facilities.

I firmly believe that to treat all of the receipts of this public utility as general revenue and then to rely upon direct appropriations by Congress for all of its detailed expenditures would result either in reduced efficiency of the agency and an effective stifling of its use and development, or in huge blank-check contingent appropriations for it.

Should Congress try to operate a public-utility business, Mr. Speaker, we would soon find ourselves knee deep in highly technical details, guess estimates, and unpredictable contingencies. If it should prove unworkable from the standpoint of Congress, it would be calamitous to the region served by the T. V. A.

Mr. Speaker, I hope the Congress will not cast this stumbling block in the pathway of a people who have for so long had unequal opportunities and now look up hopefully and proudly. We are grateful for this great investment by the people of the United States. We think it is a good investment. We confidently believe that it not only has already brought great dividends but that, in the future, the people of the United States will be amply benefited and rewarded for every dollar invested there.

It is a question not of private versus public ownership, which has already been settled in this region, but of efficient operation of a great project owned by all the people.

The SPEAKER. The time of the gentleman from Tennessee has again expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the House is called upon today to decide whether one of our finest national assets is to continue to operate with the efficiency comparable to that of private enterprise, or whether it will reverse the policy adopted in the basic T. V. A. Act and bring the management of that great enterprise back into the crowded Capital.

That issue should be very clearly drawn, and the subsequent action of the House determined alone on that basis.

The method of financing those functions of T. V. A. that produce revenue was clearly set forth in section 26 of the basic act. The reason for such a method was clear when the act was passed in 1933, and it is clear now. The Congress never intended, nor did the original law contemplate, that the taxpayers should pay expenditures involved in the operation and maintenance of the power system of the T. V. A. Nor did Congress intend for the day-to-day business op-

erations of a vast power system to be managed by the Congress of the United States.

Proceeding under the law, the Board of the Tennessee Valley Authority has endeavored, and has made noteworthy success in that endeavor, to manage these power operations in such a way as to pay the costs of the operations from revenue received, and, above that, to provide net income annually which in time will return to the taxpayers of the whole country the amount of the original investment.

Now, if the present system of financing should be abolished as the amendment in disagreement would provide, the T. V. A. would be required to turn all these operating revenues into the general fund of the Treasury, instead of the special fund authorized by law to be set up in the Treasury and known as the Tennessee Valley Authority fund.

If that were done, T. V. A. would of necessity have to depend on annual appropriations for every expenditure growing out of the operation of the power system.

In my opinion this would impair seriously, if not destroy, the effectiveness of T. V. A. as a great public enterprise and an agency of the Government which has established a remarkable record for efficiency in its operations.

Mr. Speaker, all over a wide region, affecting to some extent seven different States, power contracts have been entered into between T. V. A. and various other parties, including municipalities, cooperatives, and industrial enterprises. If this amendment should be adopted, and I sincerely hope it will not, but if it should, then every power contract entered into by T. V. A. would in a measure be jeopardized. Those agreements would, in effect, have a clause terminating each one at the end of each fiscal year. Such a situation is unwise and unthinkable, and particularly so here in the middle of a war in which 70 percent of all T. V. A. power is being used for the manufacture of munitions of warfare to be used in crushing the Axis.

The action of House conferees on both sides of the aisle in standing firm and unmoved from the position taken by this body annually, is indeed most encouraging. I hope that the House will stand firmly against these amendments, and reject them.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. PRIEST.]

Mr. PRIEST. Mr. Speaker, the gentleman from Massachusetts just a moment ago in a colloquy with my colleague the gentleman from Tennessee [Mr. GORE] said that the T. V. A. could use these funds for whatever purposes it may desire, referring to funds derived from operating revenue-producing functions. The Tennessee Valley Authority can use them only as provided and designated in section 20 of the basic act.

Mr. Speaker, a few weeks ago I addressed the House at some length on the methods of T. V. A. financing. As we proceed now to a vote on these

amendments in disagreement, it is my earnest hope that the House will not confuse the issue.

It is my firm conviction that if the amendment that would abolish the T. V. A. revolving fund, and take away from that agency the right to use receipts from its revenue-producing functions to pay the cost of operating and maintaining those functions, should finally be approved, it would in effect destroy one of the greatest public enterprises in the Nation.

There is no mystery nor secret about the method of T. V. A. financing.

When the original act was passed very careful consideration was given to this matter, and it was the clear intention of Congress that the revenue-producing functions should be financed from current receipts. Certainly, as has been emphasized already, Congress never intended that the taxpayers should pay expenditures involved in the operation of the T. V. A. power system.

And so, Congress wrote into the original law in section 26 the provision that receipts might be used for operations of certain designated activities that were clearly spelled out in the act. Now mind you, Mr. Speaker, Congress was so insistent that T. V. A. be permitted to operate with the flexibility of private business, that the Board was not required to turn operating revenue into the Treasury. The Board, if it had elected to do so, might have deposited these funds in one or many banks. But a plan was agreed upon, and has been approved annually since 1935, to deposit these funds in the Treasury of the United States in a special Tennessee Valley Authority fund.

The board of the Tennessee Valley Authority has made a notable record in operating the revenue-producing functions in a business-like manner, and is making every effort to manage those operations as to pay the costs from revenue, and at the same time to provide net income to liquidate the cost of the original projects paid by all the taxpayers.

Obviously, Mr. Speaker, no business could operate successfully, if at the end of each fiscal year, its operating funds were in doubt. But if this amendment were adopted, it brings into the picture a great deal more than doubt. It would bring a multitude of managerial problems to be settled by the Congress, and it would reverse the whole policy of decentralization, and create untold confusion in a region covering thousands of square miles.

The T. V. A. has entered into hundreds of contracts to furnish electric power for municipalities, for cooperatives to distribute to agricultural areas, and for large industrial enterprises. Those contracts are entered into on the basis of T. V. A. being able to supply current on a continuing basis. If the revolving fund were abolished, every contract would expire automatically once a year, at least until Congress, acting in the place of the T. V. A. board, had agreed upon operating expenses. Such a situation, from a practical and business viewpoint, is unthinkable.

The eyes of the entire Nation have been turned on this matter in the last few weeks. To those of us who live close to the operations in the Tennessee Valley, it has been a source of real encouragement to find that editorial comment from coast to coast has demonstrated a wide national interest in preserving T. V. A. as it now operates.

We who represent the valley also appreciate very sincerely the position taken by conferees from the House, and I hope, Mr. Speaker, that the House will stand solidly against these amendments.

(Mr. PRIEST asked and was given permission to revise and extend his own remarks in the RECORD.)

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi [Mr. RANKIN].

(Mr. RANKIN asked and was given permission to revise and extend his own remarks in the RECORD.)

[Mr. RANKIN addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

[Mr. JENNINGS addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, it seems to me we should face the facts in connection with this item in this appropriation bill and not be too much excited about personalities. These are the facts:

At the present time, and since the passage of the T. V. A. Act, the T. V. A. has had authority to use its income for its own expenditures and for its own expansion. It has been the practice, however, to present to the Congress a review of its operations and its funds and its requirements. Those have been gone over by the Committee on Appropriations every year.

In the old days before there was any income of any account it was customary for the Congress to bring in annual appropriations covering both the operation and new construction. The question involved here is not personalities. It is a fundamental proposition of congressional control over expenditures and appropriations. We should not have revolving funds. We should not have permanent appropriations. We should have those agencies come here and justify what they need. There is no embarrassment in their doing this. There never has been any embarrassment. Dragging a man's name in here, one side or the other, is a bugaboo designed to becloud the issue.

But let us come back to fundamentals. If we adopt this amendment then the T. V. A. will come in here every year and justify what it needs. That does not mean that it will not receive its needs from the hands of Congress. It means that the Congress will review it in the same manner that other requests are reviewed. It matters not who is the

head of an agency of Government. The important thing, if we are to preserve representative Government and the liberties of America, is to have those items appropriated by the Congress and under the control of the Congress every year so that we may keep the executive agencies of all descriptions and all character in line, and keep them from abusing the privileges that they are given. Every time you fail to meet that situation, every time you give a bureaucrat a continuing revolving permanent appropriation, you create a situation where you are destroying the fundamental liberties of the American people, and you are setting a very bad example.

That is the real issue here in this situation. I hope that the motion of the gentleman from Massachusetts to concur in these amendments will be adopted. There has been shown not the slightest disposition on the part of the Senate to embarrass this agency, because they have provided \$79,000,000, the amount that the T. V. A. said it would require, for the coming fiscal year. If there had been that disposition, that would be another story, and the gentleman would have a right to complain.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I think I can agree with much that has been said on both sides of this controversy, but the fact remains, as the gentleman from Virginia has pointed out, that if any damage was done to the congressional power of the purse, it was done in 1936 when the basic law which governs the operation of T. V. A. was enacted.

It has been rightly said that section 26 provides that whatever of the proceeds of T. V. A. in the opinion of the Board are necessary to be kept in their treasury may be kept there. We said so in the law of 1936. We carried that provision in this bill. That was enacted in this House on the 31st day of January 1944. I supported the bill in that form, so I have no choice except to support the position taken by the committee and to oppose the position taken by the Senate on the ground that this is neither the place nor the method by which to achieve a remedy for the situation of which complaint is made.

But it does raise a larger issue today, and it comes to my mind because of the observation made by my good friend the gentleman from Tennessee, Judge JENNINGS. I am afraid, Judge, I cannot agree with the idea that we ought to delegate the constitutional power of the purse to a great variety of corporations in the country, and then have difficulty in exercising a proper legislative control. We have scores of governmental corporations today. They employ nearly 110,000 persons. Their bonding power reaches the astronomical sum of thirty-one billion. As I recall, they have pledged the credit of this Nation to some twenty-three billion. They own several billions in real estate, and they own over two billion in United States securities. We alien the power of the purse to those cor-

porations and then it is hedged about by so much authority that it is so diffused and almost beyond all comprehension that we are having difficulty today. Out of the controversy that is here manifest it seems to me that sooner or later an exploration must be made of the power that has been delegated by the Congress to every corporation.

Why are we quarreling today, if we are quarreling? It is whether \$79,000,000, which represents the estimated proceeds for the fiscal year 1945 plus the unexpended balances for the fiscal year 1944, shall lodge in T. V. A.'s treasury or shall lodge in the Treasury of the United States.

I think much can be said in behalf of maintaining some kind of a fund so that they do not always have to come to Congress, but I do point out that we have delegated a broad power which gives to the board authority that if, in their opinion, all of these funds shall be retained in the T. V. A. treasury, Congress has exactly nothing to say about it, because while it may be a tenuous and slender opinion yet it is the opinion of the board and it satisfies the statute which was enacted by this body.

Sooner or later it becomes necessary to dip into this whole question of corporations chartered under State law, like the Commodity Credit Corporation; chartered under the territorial law, like the Alaska Railroad Corporation; or chartered under Federal law, like the Reconstruction Finance Corporation and a great many others, because I am frank to say that I do not know the extent of the authority they are exercising today.

So I merely conclude by saying that I will support the position I took in January when this bill passed the House. I recognize this provision in the basic law. I think the T. V. A. can say that they need the money and it can repose within their treasury. So I shall support the House position today.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Speaker, on May 9 I expressed my opposition to the so-called McKellar amendments. Two days later a letter written by Mr. Samuel Ferguson, president of the Hartford Electric Light Co., a most progressive executive of a very fine, well-run company, wrote a letter which appeared in the Hartford Courant of May 21, from which I quote:

T. V. A. OPERATIONS

MR. FERGUSON SUPPORTS THE POSITION TAKEN
BY CONGRESSMAN MILLER

To the Editor of the Courant:

I believe that readers of the Courant would be interested in reading the speech of Representative WILLIAM J. MILLER on the subject of the Tennessee Valley Authority, as printed in the CONGRESSIONAL RECORD of May 9 and as briefly summarized in your issue of May 10.

The point of Mr. MILLER's remarks was to the effect that regardless of whether or not we approve of the expenditure of \$750,000,000 of taxpayers' money, the fact is that the money has been spent and that it is in the taxpayers' interest to make the best possible use of the magnificent engineering works produced thereby, rather than to do anything that will interfere with such use.

In particular, Mr. MILLER protested that the so-called McKellar amendments would unduly hamper the operations in requiring Mr. Lillenthal to come to Congress for approval of all expenditures of every nature and for approval of all appointments at salaries in excess of \$4,500.

I agree with Mr. MILLER that these amendments go altogether too far. I could not efficiently operate my own business under such restrictions, hence I do not desire to see Mr. Lillenthal so unduly hampered when he is supposed to be conducting the T. V. A. on the basis of an efficient private operation.

It is very proper that I should go to my board of directors (and for him to go to Congress) for approval for every capital expenditure and for approval of every operating expense not directly connected with revenue-producing operation; but to insist on approval for all expenditures necessary for the conduct of revenue-producing operations is going much too far. How can he tell in advance whether there will be rain or drought, either of which would make for great variations in the amount of fuel to be used as auxiliary to the hydroelectric operations?

The amendments should be modified as to operating expenses so as to make operations practical. This will in no way interfere with the very proper requirement for congressional approval on all proposed extension of revenue-producing facilities and all expenditures, whether of a capital or an operating nature, that are outside the scope of revenue-producing operations.

Although I have no hope that the revenues will be sufficient to fulfill the rosy dreams of enthusiasts and cover not only non-revenue-producing expenses but return to the Treasury, with interest, the \$750,000,000 of taxpayers' money expended to date as capital investment, I am loathe to see any obstacle placed in the way of Mr. Lillenthal that would prevent the recovery of as much as possible on the investment.

S. FERGUSON,

President, the Hartford Electric Light Co.

(Mr. MILLER of Connecticut asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, the thorough consideration that has been given to these amendments by the Members of the House since they were placed on this appropriation bill in the Senate is one of the most encouraging demonstrations of legislative responsibility that I have ever witnessed. It is also encouraging and speaks highly for the membership that these amendments are being considered on a strictly nonpartisan basis.

Time does not permit me to discuss in detail the devastating effect of these two amendments. I have heretofore made a lengthy speech on the subject, and I think the issues are clearly understood by all the Members. Unquestionably the T. V. A. has done a remarkable job. It has assisted greatly in the war effort. It has been able to do this because it has had some flexibility in the operation of its power system. If section 26 of the T. V. A. Act, which gives the Authority some flexibility in the management of the power business, had been nullified by these amendments, it would not have been possible for the T. V. A. to make the great contribution to the war effort which it has rendered. The basic statute

makes clear that Congress intended the Board of T. V. A. to so manage the power operations that they will not only pay the operating costs out of revenues received, but would provide a net income which would ultimately return to the taxpayers of the United States their investment in T. V. A.'s power facilities. The Senate amendments would destroy that system.

I know that it has been an efficient, economical operation, giving satisfactory service to consumers and fair returns to the taxpayers who are the stockholders. I know that because of the flexibility in operation which the right to use receipts guarantees, T. V. A. has managed to keep war plants going at full blast in the face of difficulties which would have been otherwise insurmountable. I know that from September 1939 to December 1941, T. V. A. provided 2,000,000,000 kilowatt-hours above its contractual commitments to accelerated war production, and there was never an hour of delay. T. V. A. did not have to come to Congress for a deficiency appropriation for the added expenses of these unestimated power operations. I know that in spite of the worst drought in 60 years, with an incompleting system, with a totally unanticipated load, not a single plant in the Tennessee Valley had its war production slowed by an hour because of insufficient power supply.

T. V. A. kept aluminum production going in this country in the dark days of 1941 and 1942 by the use of its receipts. If they had vanished into the general funds of the Treasury, as the Senate amendment proposes, the Nation's weapons for victory would have been reduced. For months most of the bombers made in the United States were made from aluminum produced in the Tennessee Valley. It was a volume of business unanticipated by the Aluminum Co. of America, the only producer of the metal in this country when accelerated production began. In September 1940 when T. V. A. presented its 1942 estimates for power expenditures to the Bureau of the Budget, Alcoa had not contracted with T. V. A. for such vast amounts of energy as it required before the fiscal year was over.

The record clearly shows how disastrous to this Nation it would have been if section 26 had not been a part of the T. V. A. Act and if the system proposed by the Senate amendment had been in effect, and T. V. A. had been limited for power expenses to the amount it had estimated in advance. This is what the record shows. When the Bureau of the Budget sent the estimates for T. V. A. expenditures in 1942 to the House Committee on Appropriations in November 1940 supporting data showed that expenditures for direct power operations were expected to be \$7,830,000. If the system of financing proposed in the pending Senate amendment had been in effect, and assuming that Congress had accepted the recommendations of the managers on the job, presumably this sum—\$7,830,000—would have been appropriated and would have been available to meet the expenses incident to power sys-

tem operation in the fiscal year beginning July 1, 1941.

I have described what happened and how needs for power expanded. Actually, instead of the estimated figure of \$7,830,000 for gross power expenditures, \$22,139,000 had been spent when the fiscal year was over. All of it had been spent out of receipts. For, of course, power income had increased over the estimates, too. Gross power receipts had been estimated at \$18,190,000 on the basis of contracts existing when the estimates were prepared. Actually receipts from power operations in the fiscal year 1942 totaled \$31,411,000. In spite of the difficulties of operation under such emergency conditions, there was only about a million dollars difference in the net income from power operations estimated in the fall of 1940 and reported when the fiscal year was ended. That difference was due to the fact that the year turned out to be the driest in more than 60, and T. V. A.'s net income reflected the reduction in low-cost hydro power supply which would have been available in a year of average rainfall.

Think of the difference between the two systems. Under the existing one there was no delay. Under the one proposed there would have been a steady series of deficiencies; weeks, perhaps months of delay. There would have been fewer weapons for our boys on the far-flung fighting fronts. That year gives us a perfect demonstration of the efficiency, the responsibility, and the accountability that has resulted from the principles of management Congress has so far adhered to with respect to T. V. A.

I think one of the most complete answers to the proponents of the Senate amendments is found in the letter written by Mr. Samuel Ferguson, president of the Hartford Electric Light Co., of Hartford, Conn. This letter was published in the Hartford Courant of May 21, and it discussed an excellent address made by the gentleman from Connecticut [Mr. MILLER] in opposition to the Senate amendments. Mr. Ferguson pointed out the danger and the crippling effects of tying the hands of the operators of an electric power system in a manner contemplated by these amendments. Among other things he wrote, "I could not efficiently operate our own business under such restrictions." If Congress wants T. V. A. to continue to be a success, it will not place restrictions on its Board of Directors under which everyone agrees they could not operate efficiently. If Mr. Ferguson could not operate the Hartford Electric Light Co. efficiently under these amendments, what can we expect from the board of directors of a much larger and more complicated enterprise?

Today, Mr. Speaker, we have an opportunity to show by our vote whether we want one of the most useful governmental agencies to carry on in a businesslike manner.

In the course of this controversy it is unfortunate that personal vilification has been heaped upon certain fine public officials. The Directors of T. V. A., and especially Mr. Lilienthal, have been subjected to intense and bitter personal

abuse. Nothing is to be gained by repeating or discussing the unfounded charges that have been made. I think it will suffice to say that those of us in the Tennessee Valley who have lived with the T. V. A. know that these things are not true. Those of us who have been more closely associated with the officials of T. V. A. know that there is no justification for these abusive charges. The people in the valley know that Dave Lilienthal and the officials of the T. V. A. have done their job well. We have confidence in the management of T. V. A., and we are proud of the record they have made.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

[Mr. MURDOCK addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. MURDOCK asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 8 minutes to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES of Alabama. Mr. Speaker, I am grateful to my colleagues for their demonstration of love and respect. It more than repays me for whatever effort I may have expended in the fight for clean, decent government in America, and the preservation of her constitutional, representative democracy. I am deeply grateful to you.

This is probably the last appeal I shall be able to address to my colleagues on the floor of this House in support of appropriations for the Tennessee Valley Authority. I hope that when you come to cast your vote on this issue in just a few minutes you will remember that the United States of America, all the people of this country, have an investment totaling more than \$800,000,000 in the Tennessee River Valley, and that the businesslike, efficient, and courteous administration of this great agency, which is now paying us such great dividends, is imperiled by the amendments proposed by the Senator from Tennessee.

The parliamentary situation is such that if you vote for the preferential motion of the gentleman from Massachusetts to recede and concur you will, in effect, be voting for the so-called McKellar amendment.

Let me tell you how we have operated the affairs of the T. V. A. in a financial way since its inception. In 1935 we wrote into the basic T. V. A. Act section 26, which provides that all the funds received by the Authority shall be covered into the Treasury annually except such amounts as the board may deem necessary for the operation of the dams and reservoirs, which will include the generation, transmission, and distribution of electric energy on the one hand and the manufacture, sale, and distribution of fertilizer and fertilizer ingredients on the other. That is the basic law. The McKellar amendment would, in effect, repeal that basic law.

In the 1935 Appropriation Act this Congress implemented section 26 of the

basic act by stating that all of the funds received by the T. V. A. in its operations from every source, plus unexpended balances, plus new appropriations, would be covered into the Treasury in one fund to pay all obligations and to meet all operating expenses. That is good business management, and the T. V. A. has been efficiently and honestly operated. No taint of scandal has touched a single transaction of the operations of this billion-dollar enterprise in the Tennessee Valley.

I call your attention to the fact that year after year the T. V. A. justifies its request for appropriations in great detail. No group can come before the careful scrutiny of the distinguished gentleman from Massachusetts [Mr. WIGGLESWORTH], the illustrious gentleman from Illinois [Mr. DIRKSEN], and one of the keenest minds in this House, the gentleman from South Dakota [Mr. CASE] without justifying in detail every dollar of public funds they seek to use during the coming fiscal year. I want to reiterate, the money the T. V. A. requests each year for its operations is submitted to Congress in the fullest detail. They hold back nothing. And year after year we have continued to approve a policy that we, the Congress, established in 1935 in writing section 26 of the basic act and implementing it by the language establishing a single fund for all operations in successive appropriation bills since the year 1935. Why should we change at this hour? This great organization has done a magnificent job in peace and in war and today more than three-quarters, yea, four-fifths of the power generated in that area is being devoted to war purposes in a most efficient and highly effective manner. There have been no stoppages of work in the entire area either on a T. V. A. project or on any project for which T. V. A. supplies power since the beginning of this war.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. STARNES of Alabama. I will be glad to yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. The gentleman states the Authority now makes a detailed report on all expenditures of the operation when it comes before the gentleman's committee?

Mr. STARNES of Alabama. That is correct.

Mr. REECE of Tennessee. It is my understanding that in the consideration of this report in the years gone by the committee has at no time found there has been any improper expenditures or any expenditures that could not be properly justified in the operation of the Tennessee Valley Authority's affairs.

Mr. STARNES of Alabama. The gentleman is correct.

Mr. REECE of Tennessee. Then this means that this amendment does not grow out of any unsatisfactory experience which the gentleman's committee has evolved as a result of the hearings which have been had?

Mr. STARNES of Alabama. I thank the gentleman for his contribution. Let me make one more statement before I

close. The distinguished gentleman from New York who is usually correct in all his statements inadvertently made a misstatement concerning the amount needed for 1945 operations of the T. V. A. It would take \$79,000,000 to carry on new operations of the Tennessee Valley Authority for the fiscal year 1945. If you adopt the motion of the gentleman from Massachusetts, which is in effect, adopting the McKellar amendment, it will take \$30,000,000 to pay obligations in outstanding checks, materials bought but not delivered and other items for which the T. V. A. obligated itself in the fiscal year 1944. This would leave only \$49,134,882 available for current operations. This sum will be required to meet the expenses of power, fertilizer, and munitions production and general water-control operations. So the adoption of the motion would mean we would have to stop the construction on the Kentucky Dam, the Fontana Dam, and on the Watts Bar steam plant. There would be no money available for new construction or for the carrying on of the fertilizer demonstration, research, and other programs.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. STARNES of Alabama. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. It has been stated, or there have been rumors that if these amendments are adopted which are proposed in the Senate, it will give a market to more coal than if they were not adopted. That is not the case, is it?

Mr. STARNES of Alabama. That is not true, because the consumption of coal has increased at a greater rate for the production of electric power in the Tennessee Valley than anywhere in the entire country.

Mr. ROBSION of Kentucky. And if the amendments are defeated it will likely require the sale of more coal?

Mr. STARNES of Alabama. More coal will be sold; inevitably, because we will complete the Watts Bar Steam Plant for the implementing of the hydroelectric power program in the valley.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. STARNES of Alabama. I yield.

Mr. WIGGLESWORTH. I merely want to call the attention of the gentleman to the fact that the second deficiency bill is now in preparation and any discrepancy in the amount of funds can easily be taken care of in that connection.

Mr. STARNES of Alabama. However, that does not remove the basic objection to substituting political control over the operations of this corporation instead of a business administration such as we have enjoyed during the past 10 years.

Mr. JENNINGS. Is it not a fact that if these Senate amendments prevail it will stop work on the Fontana Dam and the Kentucky Dam?

Mr. STARNES of Alabama. Yes; I have just called attention to this fact.

The SPEAKER. The time of the gentleman has expired.

So the question is on the motion of the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. WOODRUM of Virginia) there were—ayes 24, noes 138. So the motion was rejected.

The SPEAKER. The question is on the motion of the gentleman from Virginia [Mr. WOODRUM].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Mr. WOODRUM of Virginia. Mr. Speaker, the next three amendments, amendments Nos. 64, 65, and 66, relate to the putting of certain insignia and emblems on Government cars. They are all interrelated and I ask unanimous consent that the three amendments be considered en bloc.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Amendment No. 64: On page 65, line 19, insert "(1)" before the word "not."

Amendment No. 65: On page 66, line 2, after the word "concerned" insert "; (2) unless there shall be painted in white letters not less than 2 inches high on both sides of each motor vehicle and trailer owned or leased by the United States Government the words 'On Official Business,' and (3) unless there shall also be displayed at all times in a conspicuous place a sign designating the particular department, independent establishment, or other Federal agency which operates said vehicle. Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office, and shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than 1 year, or both."

Amendment No. 66: On page 66, line 21, after the word "officials" insert "and clauses (2) and (3) shall not apply to motor vehicles operated by the Federal Bureau of Investigation and the Immigration and Naturalization Service of the Department of Justice and the Secret Service of the Treasury Department."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to insist on the disagreement of the House to the Senate amendments, and yield myself 5 minutes.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Speaker, I ask for the attention of the Members very briefly to make a short statement on this amendment.

It is a very important matter because it is one of those cases we strike every once in a while where the object is very worthy, but the manner in which it is set up is absolutely unworkable. I think all of us have been impatient with what we often see and consider to be a misuse of Government owned motor vehicles.

This amendment was inserted in the Senate for the purpose of reaching that situation. No doubt, they thought it would reach it. It requires that there

be painted on each such motor vehicle a sign, "On official business."

After the thing has been studied, here is what we find it amounts to:

Protests have come from various departments. The Treasury Department points out that exceptions should be made in connection with the Bureau of Customs, the Bureau of Narcotics, and the Intelligence Unit and the Alcohol Tax Unit of the Bureau of Internal Revenue. They say if they put a sign on their cars, "Treasury Department, On Official Business," there is no use to send a car out and a law-enforcement officer with it. Therefore, that Department ought to be excepted.

The Interior Department reports that it will interfere with the enforcement of the Connally "Hot Oil" Act, the Migratory Bird Treaty Act, and other enforcement activities of that Department.

The Navy Department points out that they are operating vehicles in connection with which it is vital in the interest of security that Government ownership be not disclosed.

The War Department indicates a situation similar to the Navy and urges that it be excepted. It also points out that vehicles used in connection with the burial of military personnel would be marked in a manner not in keeping with the ceremonial aspect of the occasion.

The Food and Drug Administration have some enforcement activities which will be interfered with, and I understand an exception is desired in connection with the legislative branch of the Government. We do not want our cars marked.

The amendment could be construed to apply to trucks, jeeps, and other military vehicles used in war areas as well as trucks and living cars that we send around over the country to the war plants for the housing of personnel.

In addition to that, the penalty, dismissal from office and a fine of not more than \$1,000, or more than 1 year imprisonment, is out of all proportion to the offense involved.

Those are just a few of the things that have been developed. But the amendment, as it is drawn, while as I say the object of it, to curtail the misuse of Government cars is worthy, it should be drawn in a more workable form. I do not think it can be done in this place on an appropriation bill. I think it should go to conference and if we can work out anything in conference, very well. If not, we will let it go out and have a legislative bill brought in to meet the situation.

Mr. COCHRAN. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. COCHRAN. I spoke to the gentleman about this amendment when it was passed by the Senate and pointed out exactly what the gentleman has pointed out. If you require the Narcotic Unit to put a sign on their car, you are notifying the dope peddler that here is an officer of the Narcotic Unit. If you require the Intelligence Branch men to have a sign on their car, you are notify-

ing the tax evader; and also the bootlegger with the Alcohol Unit and the smuggler with the customs officers. The amendment ought to go out unless it can be drawn so that it affects only somebody who is not engaged in an enforcement activity.

The SPEAKER. The time of the gentleman from Virginia [Mr. WOODRUM] has expired.

The question is on the motion offered by the gentleman from Virginia.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 67, strike out section 210, and insert:

"SEC. 210. No part of any appropriation available for the executive departments and independent establishments (including any agency the majority of the stock of which is owned by the Government of the United States) for the fiscal year 1945 or any subsequent fiscal year contained in this or any other act shall be (1) paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person, or (2) available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall be appointed by the President, by and with the advice and consent of the Senate."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to insist on the disagreement of the House to the Senate amendment No. 67.

Mr. CASE. I offer a preferential motion.

The SPEAKER. The Clerk will report the motion of the gentleman from South Dakota.

The Clerk read as follows:

Preferential motion offered by Mr. CASE:

Mr. CASE moves to recede and concur with an amendment by substituting for Senate Amendment No. 67, the following language:

"SEC. 210. After January 1, 1945, no part of any appropriation available for the executive departments and independent establishments (including any agency the majority of the stock of which is owned by the Government of the United States) for the fiscal year 1945 or any subsequent year contained in this or any other act shall be available to pay the salary of any person to serve as the head, or as a member of any commission, board, administration, or other similar organization serving as the head, of any such department or independent establishment unless such person has been appointed by the President by and with the advice and consent of the Senate. This limitation includes all the agencies established under authority of the act of August 29, 1916 (39 Stat. 649) creating the Council of National Defense, and the agencies embraced within the Office for Emergency Management."

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr. Speaker, I trust the membership of the House will follow rather closely while I explain what this amendment provides and what the effect will be.

The amendment which was proposed by the Senate is the so-called \$4,500 amendment which would require Senate confirmation of all employees of the Government who receive more than \$4,500 in a year. I agree that that amendment

is not workable. I understand it would require confirmation by the Senate of some 90,000 employees. If you make your requirement on the basis of salary received, under the overtime law \$4,500 would include a great many engineers, chemists, physicists, firemen, master mechanics, and other men with technical and special skill. The real objective of Senate confirmation, under the provisions of the basic law of the country is to provide congressional confirmation of appointees who have policy-making powers. The amendment which I propose as a substitute for the language proposed by the Senate, is based upon that principle. It does not call for confirmation of anybody on a dollar-and-cents basis, but purely upon whether or not they are the head of a policy-making agency or commission.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. CASE. I yield.

Mr. VOORHIS of California. I have studied the amendment offered by the gentleman and it looks to me as if he has the solution to this problem. I think the gentleman's amendment is very well phrased and is a good amendment.

Mr. CASE. I appreciate the gentleman's remarks.

Mr. COCHRAN. Will the gentleman yield?

Mr. CASE. I yield.

Mr. COCHRAN. Will the gentleman tell the House whether or not this amendment applies to all now holding offices or only those appointed after January 1, 1945?

Mr. CASE. It would require Senate confirmation by January 1, 1945, of those who are the heads of policy-making agencies. It is in keeping, in that respect, with the conference recommendation as to the so-called Russell amendment, which provides that no appropriations will be available for expenditure after January 1, 1945, by agencies that have been in existence for a year, unless they have been established by legislation.

Mr. COCHRAN. The gentleman knew how many of the \$4,500 employees there were. Can the gentleman give us the number that will require confirmation of his amendment?

Mr. CASE. I cannot say exactly, but I will say that probably the most important positions would be less than 50 in such agencies as these: The National War Labor Board, the Alien Property Custodian, the Office of Coordinator of Inter-American Affairs, Office of War Information, War Manpower Commission, War Production Board, and Foreign Economic Administration.

Here is the situation we are in today. The agencies that have been established by law, generally speaking, require Senate confirmation. Agencies that have been set up by Executive order do not require Senate confirmation, but it is entirely illogical for us today to require Senate confirmation for the head of O. P. A., which was established by law, and not require it for the head of O. W. I., which was set up under Executive order. That is, we now require Senate confir-

mation for the man who rations foods, but we do not require Senate confirmation for the man who rations news. We now require Senate confirmation for the head of the Selective Service, but we do not require it for the man who is head of the War Manpower Commission. Today we require confirmation by the Senate for members of the National Labor Relations Board, set up by statute, but not for the membership of the National War Labor Board or the F. E. P. C., about which some of the Members were disturbed the other day. We require confirmation for the Secretary of State, but we do not require Senate confirmation for the Foreign Economic Administration head, or the Coordinator for Inter-American Affairs. The amendment proposed will correct this situation.

I might say I have submitted this amendment to competent counsel and believe that it is workable and that it goes to the heart of the problem. It will provide for Senate confirmation of policy-making heads in Government and be thoroughly in harmony with the basic principle on the subject. I hope you will vote for the amendment which will substitute the principle for the dollar sign set up in the Senate proposal.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Speaker, for several years a very persistent effort has been made to include in some appropriation bill an amendment similar to the so-called McKellar amendment, to which the gentleman from South Dakota has offered an amendment. The obvious purpose of the amendment put in by the Senate—and, as I say, it has been placed in bills several times and emphatically defeated in the House every time—is to require Senate confirmation of all employees of the Government receiving over \$4,500 or \$5,500—the amount has varied a little each time. The effect of the amendment would be to give the body at the other end of the Capitol, to the exclusion of gentlemen at this end of the Capitol, the right to name men to key positions in the Government service. Those amendments have universally and uniformly very properly been defeated, and defeated overwhelmingly, in the House. It may be there should be legislative confirmation of men in policy-making positions, but I have not seen anything demonstrated to me that suggests that gentlemen at one end of the Capitol have more wisdom than gentlemen at the other, particularly this end of the Capitol.

Let me say in good humor that my friend making this apply after January 1—I do not understand that because—

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I know what the gentleman is going to say, but I yield.

Mr. CASE. I trust that the gentleman will accept that fact as proof that

I offer the amendment in all sincerity; and, further, may I say while the gentleman is yielding, that under no proposal is there any way in which we could provide for confirmation by the House of Representatives unless the Constitution and the whole set-up be changed. The Senate is the confirming power in all appointments where it is allowed.

Mr. WOODRUM of Virginia. That is true literally and theoretically, but actually today, gentleman at this end of the Capitol do have a little informal say in what goes on down in the departments. Some of you gentlemen I know are so optimistic as to think that perhaps after January 1 the scene of action will change. My friend by his amendment, however, provides that after January 1 you gentlemen who have so long grown hungry and lean from lack of some little consideration along these lines will, out of the generosity of your hearts, extend it over to the other end of the Capitol and say: "My dear Senator, I am not qualified to go down to the White House or to the department or somewhere and say that John Smith, in my district, is a fine, eminent businessman and highly qualified to be head of O. W. I. or X. Y. Z. or something else." If he should say, "Mr. President, I should like to have you consider the matter," the President would say, "Oh, go on back to the Capitol; I will see the Senator and find out who he would like to have put in that place." Now, that just is not a good thing to do. I know my friend offers this amendment not only in good faith—for the gentleman could not do anything otherwise; he is one of the finest men in this House, personally and individually, and one of the ablest men on either side of the aisle—but I submit to you that I should hate very much to see you adopt even any part of an amendment of this sort. There is no necessity for it, because after January 1, if your hopes are realized, I am perfectly confident that your President and you gentlemen and your Senators will pick people for office whom you think are qualified; if that time comes, I want to see you gentlemen have a voice in it, and I do not want to see all of the authority put at the other end of the Capitol.

Mr. JENNINGS. That just means we would have a closed season so far as Members of the House were concerned.

Mr. WOODRUM of Virginia. Exactly; my friend with his usual discernment catches the point quickly.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, I agree with what my friend the gentleman from Virginia has said, and also with the observation of my distinguished friend from Tennessee who has so aptly caught the point. I just want to carry that reasoning one step further for the benefit of my Republican friends on the left. There are those who believe that the outcome of the November election might be a Republican President and a Republican House but a Democratic Senate; and if that thing should happen

would you not be in a fine position if this amendment were adopted?

I am opposed to the proposal of my friend from South Dakota; but I, like the gentleman from Virginia, agree that he is in perfect sincerity, for the reason that no study has been given to the matter to see what positions would be affected. It is a legislative matter. The Committee on the Civil Service has a bill pending before it now dealing with this question and I hope this House will maintain the position it has taken in the past and not give to the Senate of the United States the right to control all the best jobs in the Government. As I said once before on this same subject I am not interested in patronage, but if we are going to have patronage then I want my share of it and I want you to have yours; I do not want to turn it over to the gentlemen at the other end of the Capitol, and that is what this proposal means.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the amendment and the motion.

The SPEAKER. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was rejected.

The SPEAKER. The question recurs on the motion of the gentleman from Virginia.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 68:

"Sec. 213. After July 1, 1944, no part of any appropriation or fund made available by this or any other act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality including those established by Executive order after such agency or instrumentality has been in existence for more than 1 year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality including those established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 68, and agree to the same with an amendment.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate No. 68, and agree to the same with an amendment, as follows: In line 1 of said amendment, following the word "After", strike out "July 1, 1944," and insert "January 1, 1945."

Mr. COCHRAN. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. WOODRUM of Virginia. I yield to the gentleman from Missouri.

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Am I correct in understanding that there being no disagreement among the conferees a motion to divide the question is not in order?

The SPEAKER. Such a motion is not in order at the present time.

Mr. COCHRAN. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Am I also correct that the only way an amendment can be offered to the motion of the gentleman from Virginia is for the gentleman from Virginia to yield to me for that purpose?

The SPEAKER. That is correct.

Mr. COCHRAN. May I ask the gentleman from Virginia if he will yield to me in order to offer an amendment? If the amendment I offer is accepted I would vote for the gentleman's motion. My amendment would change the date from January 1, 1945, to July 1, 1945. Of course, I realize that if the gentleman yielded to me he would lose control of the time but I guarantee I will yield the time back to him.

Mr. WOODRUM of Virginia. It is very difficult, Mr. Speaker, not to yield to the distinguished and persuasive gentleman from Missouri. I may say to the gentleman that this amendment, No. 68, was quite controversial in conference and the motion I have made has been under instructions from the House conferees. I would not be justified, therefore, in deviating from those instructions. The only effect of the gentleman's amendment would be to postpone for 6 months the time this proposal would become effective.

Mr. COCHRAN. The gentleman knows, as I know, because I think he has the same information I have, that this involves a large number of agencies that are engaged in essential war work. The House wants to recess for the conventions, it wants to adjourn for the elections. Now if the Congress does not authorize appropriations for all those agencies or make appropriations for them, they will be out of existence on January 1, 1945.

Mr. WOODRUM of Virginia. I can assure the gentleman on behalf of the Appropriations Committee that we changed this date from July 1, 1944, to January 1, 1945, for the specific reason of allowing plenty of time for these agencies to come in. Thus they will be protected. There is a good deal of difference of opinion as to what agencies will be affected, but those that are affected will have from now until January 1 to prepare a budget and submit it to the Congress. I can assure the gentleman it will be given expeditious consideration by the committee, and, if necessary, a continuing resolution will be introduced and passed.

Mr. COCHRAN. If the agencies are not authorized, any appropriation brought in by the Appropriations Committee will be subject to a point of order. If the Appropriations Committee could not get a rule from the Rules Committee, they would go out on a point of order.

Mr. WOODRUM of Virginia. I may say to the gentleman, Mr. Speaker, that personally I think that some time or other the Congress should call in these activities and take a look at these various corporations and agencies that are now in existence and that never come to the Congress for review of their appropriations.

Mr. COCHRAN. I would agree with the gentleman under ordinary circumstances, but these are engaged in essential war work. In normal times I say I share the gentleman's views.

Mr. WOODRUM of Virginia. If they are, they will get preferential attention from the hands of the Appropriations Committee and the Congress, but we want to take a look at what they are doing.

Mr. COCHRAN. I appreciate the gentleman's assurance.

I stated my objection to this amendment in a speech I made Monday. I listed the agencies that the Comptroller General said he had already found to be affected, and I listed also the corporations which he said he felt might be included. Aside from that, I told how the general counsel of the R. F. C. had stated to me that he felt some of the important subsidiaries of R. F. C. were likewise involved.

I also stated that the great majority of these agencies were engaged in essential war work and it would take a very long period of time for the legislative as well as the Appropriations Committee to hold hearings to justify the passage of legislation either authorizing or appropriating money for the individual agencies. Each one would be handled separately, and it is not necessary for me to tell the House the time it would take to complete legislation before January 1 that is absolutely necessary in this amendment. For that reason I cannot support it.

In normal times I fully agree that all agencies should make an annual report to the Congress of their activities.

Mr. CASE. Will the gentleman yield for a question?

Mr. WOODRUM of Virginia. I yield to the gentleman for a question.

Mr. CASE. What does the gentleman think will be the effect of this amendment, with the January 1 date in, with respect to confirmation of the heads of agencies that may be set up by law under the requirements of this section?

Mr. WOODRUM of Virginia. I have not given thought to that matter. I do not know.

Mr. CASE. I think the gentleman will find himself caught by the logic he used a few minutes ago. When these agencies get established by law, in order to get under the wire by January 1, they will also provide for Senate confirmation of the heads of the agencies and the gentleman and the country will be in the same position as if they had adopted the substitute amendment I proposed.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a letter I received from the Comptroller General.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FITZPATRICK]?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I rise in opposition to Senate amendment No. 68. I opposed this amendment in the conference meeting, for I felt then as I feel now, that it is a dangerous amendment to pass, and in all probability, if it becomes a law, it will be very detrimental to our war efforts.

I have received from the General Accounting Office this morning a letter signed by the Honorable Lindsay C. Warren, Comptroller General of the United States, in which he gives me a list of 25 agencies that may be affected by this amendment.

In his letter Mr. Warren states as follows:

While the full effect of the amendment in question may not be determined definitely from the facts now of record in this office, the following corporations, as instrumentalities of the Government, might be affected in some manner by the provision as passed by the Senate:

American President Lines, Ltd.
Cargoes, Inc.
Colonial Mica Corporation.
Defense Homes Corporation.
Federal National Mortgage Association.
Federal Subsistence Homesteads Corporation.
Panama Railroad Company.
Puerto Rico Cement Corporation.
Tennessee Valley Associated Cooperatives, Inc.
United States Spruce Production Corporation.
War Emergency Pipe Lines, Inc.
War Hemp Industries, Inc.
War Materials, Inc.
Warrior River Terminal Company.
Defense Supplies Corporation.
Metals Reserve Company.
Petroleum Reserves Corporation.
Rubber Development Corporation.
Rubber Reserve Company.
United States Commercial Company.
Institute of Inter-American Affairs.
Institute of Inter-American Transportation.
Inter-American Educational Foundation, Inc.
Inter-American Navigation Corporation.
Prencinradio.

It seems to me that Congress at this crucial moment should not pass legislation of this nature, as, in my opinion, it would be sad news for our boys to receive who are now fighting and dying all over the world to save our great democratic form of government.

I ask that the House vote down this amendment.

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, May 31, 1944.

HON. JAMES M. FITZPATRICK,
House of Representatives.

MY DEAR MR. FITZPATRICK: Reference is made to your informal request for the following information:

1. A list of the Government agencies operating at present under Presidential Executive order.

2. A list of the Government agencies operating on funds set aside by the President—such as the Committee on Fair Employment Practice.

It is understood that this information is desired in connection with consideration of the possible effect of Senate amendment No. 68 to the Independent Offices appropriation bill, 1945, H. R. 4070. Said amendment, in the bill as passed by the Senate, is as follows:

"Sec. 213. After July 1, 1944, no part of any appropriation or fund made available by this or any other act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality including those established by Executive order after such agency or instrumentality has been in existence for more than 1 year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality including those established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions."

I have been unable, in the time available for the compilation of the information you desire, to have an exhaustive search made. However, there appears in the Senate hearings on the bill referred to above, H. R. 4070, commencing on page 509, a letter dated February 28, 1944, from the Bureau of the Budget, furnishing, in response to a request of Senator RUSSELL, information as to agencies established by Executive order or in any other manner than by specific legislation, and as to the method by which the expenses of those agencies were financed. The two lists which follow were obtained from that source, to which reference may be made for further details. Said letter included data with respect to a considerable number of agencies originally established by Executive order, but now financed mainly by direct appropriation. In view of the purpose of your inquiry, and of the fact that these agencies are operating at this time not only under Presidential authority, but pursuant to specific annual appropriations, such agencies are not included in the lists below.

The following list shows those Government agencies operating at present under Executive orders or letters of the President, or pursuant to direction or approval of the President:

Agencies in the Executive Office of the President: Committee for Congested Production Areas; Liaison Office for Personnel Management; agencies in the Office for Emergency Management—Board of War Communications, Committee on Fair Employment Practice, Foreign Economic Administration (some constituent agencies), Office of Alien Property Custodian; agencies in the Office of War Mobilization—Retraining and Reemployment Administration, Surplus War Property Administration.

American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas.

Committee to Investigate Racial Discriminations in Certain Fields of Railroad Employment.

Federal Interdepartmental Safety Council.
Federal Real Estate Board.
Agency in Federal Works Agency: Federal Fire Council.

Interdepartmental Committee to Consider Cases of Subversive Activities on the Part of Federal Employees.

Interdepartmental War Savings Bond Committee.

President's Committee for Education of Men Demobilized From the Armed Forces.

President's War Relief Control Board.
War Refugee Board.

Agency under Department of Commerce: National Patent Planning Commission.

Agencies under Department of the Interior: Coal Mines Administration, Puerto Rico Legislative Committee.

Agency under Department of Labor: Wage Adjustment Board.

The following list shows those Government agencies operating on funds allocated by the President:

Liaison Office for Personnel Management.
Committee for Congested Production Areas.
Committee on Fair Employment Practice.
Foreign Economic Administration (some constituent agencies).

American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas.

Committee to Investigate Racial Discriminations in Certain Fields of Railroad Employment.

President's Committee for Education of Men Demobilized From the Armed Forces.

President's War Relief Control Board.
War Refugee Board.

Coal Mines Administration.
Puerto Rico Legislative Committee.

Wage Adjustment Board (in part).

Of these agencies, now financed by funds allocated by the President, appropriations for the following are included in pending bills:

Committee on Fair Employment Practice (National War Agency appropriation bill, 1945, H. R. 4879).

President's War Relief Control Board (State Department appropriation bill, 1945, H. R. 4204).

In addition, estimates for appropriations for the following agencies have been submitted to the Congress:

Committee for Congested Production Areas (H. Doc. No. 488).

American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas (H. Doc. No. 568).

Foreign Economic Administration (H. Doc. No. 566).

While the full effect of the amendment in question may not be determined definitely from the facts now of record in this office, the following corporations, as instrumentalities of the Government, might be affected in some manner by the provision as passed by the Senate:

American President Lines, Ltd.
Cargoes, Inc.
Colonial Mica Corporation.
Defense Homes Corporation.
Federal National Mortgage Association.
Federal Subsistence Homesteads Corporation.

Panama Railroad Company.
Puerto Rico Cement Corporation.

Tennessee Valley Associated Cooperatives, Inc.

United States Spruce Production Corporation.

War Emergency Pipelines, Inc.
War Hemp Industries, Inc.
War Materials, Inc.
Warrior River Terminal Company.
Defense Supplies Corporation.
Metals Reserve Company.

Petroleum Reserves Corporation.
Rubber Development Corporation.
Rubber Reserve Company.
United States Commercial Company.
Institute of Inter-American Affairs.
Institute of Inter-American Transportation.

Inter-American Educational Foundation, Inc.

Inter-American Navigation Corporation.
Prencinradio.

I trust that the foregoing will serve the purpose of your inquiry.

Sincerely yours,

LINDSAY C. WARREN,

Comptroller General of the United States.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia [Mr. WOODRUM].

The question was taken; and on a division (demanded by Mr. FITZPATRICK) there were—ayes 121, noes 18.

Mr. FITZPATRICK. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and five Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 282, nays 46, not voting 100, as follows:

[Roll No. 73]

YEAS—282

Abernethy	Clevenger	Gregory
Allen, La.	Cole, Mo.	Griffiths
Andersen,	Cole, N. Y.	Gross
H. Carl	Cooley	Gwynne
Anderson, Calif.	Cooper	Hagen
Andresen,	Costello	Hale
August H.	Courtney	Hall
Andrews, Ala.	Crawford	Leonard W.
Andrews, N. Y.	Crosser	Hancock
Angell	Cunningham	Hare
Arends	Curtis	Harless, Ariz.
Arnold	D'Alesandro	Harris, Va.
Auchincloss	Davis	Hartley
Baldwin, N. Y.	Day	Hays
Barrett	Dewey	Hendricks
Barry	Dilweg	Hester
Bates, Ky.	Dirksen	Hess
Bates, Mass.	Dondero	Hill
Beall	Doughton	Hinshaw
Beckworth	Durham	Hobbs
Bender	Dworshak	Hoeven
Bennett, Mich.	Eaton	Hoffman
Bennett, Mo.	Ellis	Holifield
Bishop	Ellison, Md.	Holmes, Wash.
Blackney	Ellsworth	Hope
Bland	Elmer	Horan
Bolton	Engel, Mich.	Howell
Bonner	Engle, Calif.	Jarman
Bradley, Mich.	Feighan	Jeffrey
Brehm	Fellows	Jennings
Brooks	Fenton	Jensen
Brown, Ga.	Fisher	Johnson,
Brown, Ohio	Flannagan	Anton J.
Brumbaugh	Folger	Johnson,
Bryson	Fuller	Calvin D.
Buffett	Fulmer	Johnson,
Bu-bey	Gale	J. Leroy
Butler	Gallagher	Johnson,
Camp	Gamble	Luther A.
Canfield	Gathings	Johnson, Okla.
Cannon, Fla.	Gavin	Johnson, Ward
Carlson, Kans.	Gearhart	Jones
Carrier	Gerlach	Jonkman
Carson, Ohio	Gifford	Judd
Carter	Gillespie	Kean
Case	Gillette	Kearney
Chapman	Gillie	Keefe
Chenoweth	Gordon	Kefauver
Chipperfield	Gore	Kilday
Church	Gorski	Kinzer
Clark	Graham	Kleberg
Clason	Grant, Ala.	Kunkel

Lambertson	O'Neal
Lanham	Pace
Larcade	Patman
Lea	Patton
LeCompte	Peterson, Fla.
LeFevre	Peterson, Ga.
Lemke	Phillips
Luce	Pittenger
McConnell	Ploeser
McCord	Page
McCwen	Poulson
McGehee	Powers
McGregor	Pracht,
McLean	C. Frederick
McMillan	Pratt,
McWilliams	Joseph M.
Magnuson	Price
Mahon	Priest
Maloney	Ramey
Mansfield,	Ramspeck
Mont.	Rankin
Mansfield, Tex.	Reed, Ill.
Martin, Mass.	Reed, N. Y.
Marrow	Richards
Michener	Rivers
Miller, Conn.	Robertson
Miller, Mo.	Robinson, Utah
Miller, Nebr.	Robson, Ky.
Miller, Pa.	Rockwell
Mills	Rodgers, Pa.
Monkiewicz	Rogers, Mass.
Monroney	Rohrbough
Morrison, La.	Rolph
Morrison, N. C.	Russell
Mott	Satterfield
Mruk	Sauthoff
Mundt	Schwabe
Murdock	Scott
Murray, Tenn.	Scrivner
Murray Wis.	Sheppard
Norman	Sikes
Norrell	Simpson, Ill.
O'Brien, N. Y.	Smith, Maine
O'Connor	Smith, Ohio
O'Hara	Smith, Va.
O'Konski	Smith, Wis.

NAYS—46

Bradley, Pa.	Jackson	Rabaut
Capozzoli	Kee	Rowan
Celler	Kirwan	Sabath
Cochran	Klein	Sadowski
Coffee	Lane	Scanlon
Dawson	Ludlow	Sheridan
Delaney	Lynch	Smith, W. Va.
Dingell	McCormack	Snyder
Eberharter	Madden	Somers, N. Y.
Fitzpatrick	Marcantonio	Spence
Fogarty	Murphy	Tolan
Forand	Norton	Torrens
Ford	O'Brien, Ill.	Wene
Heffernan	O'Brien, Mich.	Wright
Hoch	Outland	
Izac	Pfeifer	

NOT VOTING—100

Allen, Ill.	Gilchrist	Martin, Iowa
Anderson,	Goodwin	Mason
N. Mex.	Gossett	May
Baldwin, Md.	Granger	Merritt
Barden	Grant, Ind.	Myers
Bell	Green	Newsome
Bloom	Hall,	O'Toole
Boren	Edwin Arthur	Philbin
Boykin	Halleck	Plumley
Buckley	Harness, Ind.	Randolph
Bulwinkle	Harris, Ark.	Reece, Tenn.
Burch, Va.	Hart	Rees, Kans.
Burchill, N. Y.	Hébert	Rizley
Burdick	Heldinger	Rowe
Burgin	Holmes, Mass.	Sasscer
Byrne	Hull	Schiffner
Cannon, Mo.	Jenkins	Shafer
Colmer	Johnson, Ind.	Short
Compton	Johnson,	Simpson, Pa.
Cox	Lyndon B.	Slaughter
Cravens	Kelley	Stanley
Curley	Kennedy	Stearns, N. H.
Dickstein	Keogh	Stewart
Dies	Kerr	Taylor
Disney	Kilburn	Treadway
Douglas	King	Vinson, Ga.
Drewry	Knutson	Wadsworth
Elliott	LaFollette	Weiss
Elston, Ohio	Landis	Whelchel, Ga.
Fay	Lesinski	White
Fernandez	Lewis	Whitten
Fish	McKenzie	Wilson
Fulbright	McMurray	Zimmerman
Furlong	Maas	
Gibson	Manasco	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Short for, with Mr. Keogh against.
Mr. Taylor for, with Mr. Buckley against.
Mr. Knutson for, with Mr. Byrnc against.
Mr. May for, with Mr. Bloom against.
Mr. Whitten for, with Mr. Curley against.
Mr. Halleck for, with Mr. Fay against.
Mr. Douglas for, with Mr. Weiss against.
Mr. Goodwin for, with Mr. Kennedy against.
Mr. Grant of Indiana for, with Mr. King against.
Mr. Jenkins for, with Mr. Myers against.
Mr. Martin of Iowa for, with Mr. Dickstein against.
Mr. Harris of Arkansas for, with Mr. Kelley against.
Mr. Kilburn for, with Mr. Merritt against.
Mr. Shafer for, with Mr. Burchill of New York against.
Mr. Compton for, with Mr. O'Toole against.

Until further notice:

General pairs:

Mr. Vinson of Georgia with Mr. Lewis.
Mr. Baldwin of Maryland with Mr. Allen of Illinois.
Mr. Hébert with Mr. Treadway.
Mr. Cannon of Missouri with Mr. Johnson of Indiana.
Mr. Manasco with Mr. Rizley.
Mr. Cravens with Mr. Fish.
Mr. Zimmerman with Mr. Harness of Arizona.
Mr. Drewry with Mr. LaFollette.
Mr. Randolph with Mr. Wilson.
Mr. Hart with Mr. Mason.
Mr. Philbin with Mr. Holmes of Massachusetts.
Mr. Green with Mr. Schiffer.
Mr. Fulbright with Mr. Elston of Ohio.
Mr. Burgin with Mr. Rees of Kansas.
Mr. Bulwinkle with Mr. Edwin Arthur Hall.
Mr. Cox with Mr. Gilchrist.
Mr. Burch of Virginia with Mr. Reece of Tennessee.
Mr. Bell with Miss Stanley.
Mr. Furlong with Mr. Landis.
Mr. Kerr with Mr. Burdick.
Mr. Colmer with Mr. Simpson of Pennsylvania.
Mr. Boykin with Mr. Plumley.
Mr. Granger with Mr. Rowe.
Mr. Fernandez with Mr. Hull.
Mr. Welchel of Georgia with Mr. Maas.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69: On page 73, line 3, strike out "213" and insert "214."

Mr. WOODRUM of Virginia. Mr. Speaker, that is just a corrective amendment. I move that the House recede from its disagreement with Senate amendment No. 69 and concur in the same.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that all Members who spoke on the conference report have permission to revise and extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENDING THE TIME LIMIT FOR IMMUNITY

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (H. Res. 574, Rept. No. 1589) on the joint resolution (H. J. Res. 283) to extend the time limit for immunity, for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 283) to extend the time for immunity. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

JUVENILE COURT, DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on the District of Columbia and ordered printed with illustrations:

To the Congress of the United States:

I transmit herewith for the information of the Congress a communication from the judge of the Juvenile Court of the District of Columbia, together with a report covering the work of the juvenile court during the fiscal year 1942-43.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 31, 1944.

COMMISSION OF FINE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on the Library:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period January 1, 1940, to June 30, 1944.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, June 1, 1944.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to advise the House that on tomorrow the lend-lease, U. N. R. R. A., appropriation bill will be taken up. We will meet on Saturday. H. R. 4771 has been reported from the Committee on Naval Affairs. That relates to the Elk Hills Naval Petroleum Reserve. I am informed it is necessary that that bill be passed by June 4, as certain contracts are outstanding, which expire on that date. This bill will be taken up either tomorrow or Saturday. I am unable to state definitely whether it will be taken up tomorrow. It depends on whether the Committee on Appropriations is ready to proceed at 11 o'clock. If not, we will take up this bill, but in any event it will be taken up either tomorrow or Saturday.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KEEFE] may have permission to revise and extend the remarks he made in Committee of the Whole and to include certain extracts from hearings.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to insert an editorial in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a news release of mine appearing in the Kickapoo Scout, under date of May 18, 1944, and other Wisconsin newspapers.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution adopted in Hatfield, Mass.

The SPEAKER. Is there objection?

There was no objection.

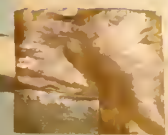
[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent that on tomorrow after the regular business and any other special orders, I may address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.



and I think he is a very excellent gentleman, I know he is very intelligent, and I think he is honest and sincere—Dr. Henry Hart, the associate general counsel. Dr. Hart was born in 1904 and has a doctor's degree from Harvard University. He was editor of the Harvard Law Review. By profession he is a college professor. He was on the faculty of Harvard University. That is laudable. He has risen high in his profession. But that does not qualify him to fix textile ceilings, that does not qualify him to have any voice in O. P. A. policies in regard to cotton. Dr. Hart has never seen a cotton mill, has never seen a cotton farm in his life.

Now let us take the most powerful man in O. P. A. He did not attend those meetings, but everyone knows that Dr. Richard Gilbert has much to say about the agricultural policies of O. P. A. Dr. Gilbert was born in 1902, and is a graduate of Harvard University with a Ph. D. degree. He is an economics teacher, and for several years has been in the Government service. Dr. Gilbert was assistant to the Secretary and Harry Hopkins' economic adviser when Hopkins was Secretary of Commerce.

Mr. President, I do not think that Harry Hopkins' economic adviser is a proper person to have any say or any authority in the cotton program of the O. P. A., or any other agricultural policy. Dr. Gilbert has had utterly no experience in business. I am sure he is honest, I am sure his intentions are good, but he is not qualified to administer this program.

There was another gentleman, a very likeable man, who attended those meetings, and who is one of the cotton advisers, it was evident to all of us. I refer to Dr. Donald H. Wallace. Dr. Wallace was born in 1903. He also has a doctor's degree from Harvard University, and was an assistant professor of economics at Williams College and Harvard University before coming into the Government service. Dr. Wallace held a minor appointment in the Department of Labor from 1939 to 1940. He has had utterly no business experience, knows nothing about the cotton business, and certainly is not competent to speak on the question here under consideration, or to advise in formulating the textile and cotton programs.

The next gentleman who attended those meetings, and who is certainly one of the advisers, was Dr. Benjamin Caplan. Caplan was born in 1909, attended McGill University at Montreal, and received his doctor of philosophy degree from the University of Chicago. Dr. Caplan taught economics in some minor junior college in Chicago, and held minor positions in Government bureaus until he went to O. P. A. Dr. Caplan has had utterly no experience in the cotton business, he has had no experience in any business of any kind, character or description. In fact, he has had no practical experience in anything.

Mr. President, I submit that men like these are responsible for the textile program bogging down.

There was another adviser who attended those meetings, one Leander L. Lovell. As I understand, Mr. Lovell is a

member of the C. I. O. That does not disqualify him but it shows his interests are not in the cotton grower, not in the cotton mill, not in getting production, but in labor relations.

Mr. Lovell was born in 1906. He holds a master's degree from the University of Wisconsin. Mr. Lovell studied economics, and has held very minor places in the Government service since that time. He, too, has never seen a cotton field or been inside a cotton factory, and is totally inexperienced in business.

The next gentleman who attended those meetings—and he, I understand, is an influential man in the cotton program—is Mr. William Stix, the chief attorney for the Textile Division of the O. P. A. Mr. Stix's qualifications are even better than the qualifications of the gentlemen whose names I have just said. Mr. Stix was born in 1911, and is also a graduate of Harvard University. I said he was better qualified, because Stix has been in business for himself. Stix practiced law for himself. For 5 months, for 5 whole months, 150 days, he had a law office in the city of St. Louis, with his shingle out, offering to practice law, specializing in labor relations. He left there, entrained for the city of Washington, and got a job at \$2,100 as a field investigator for the Senate Civil Liberties Committee. After holding minor Government places like that, he has become a power in the cotton program in O. P. A.

Mr. President, as I stated, these men are, in my judgment, doing the very best they can, but experience counts, ability in any particular line of endeavor counts, and I submit that the cotton program in O. P. A. should be in the hands of efficient businessmen who know the cotton business. Those experienced men cannot be cast aside, and the biggest business of this country turned over to several college professors, and they be expected to conduct it successfully.

Textile production is falling down. The War Production Board says that if it is not increased to the 1942 level it will equal a serious military defeat. We must have that production increased. We cannot say, "This is simply a question of administration," and send it back to O. P. A. O. P. A. will fail. It is our responsibility. It is the duty of the Congress. We cannot pass the buck. We must take action to protect the war economy of our country.

Mr. President, the cotton business says the amendment is good. It says the amendment is not inflationary. It says the amendment will not increase the profits of the textile industry. Are we going to adopt it or are we going to pursue the same course as is at present being pursued?

Mr. President, I challenge the opponents of the amendment to produce a program which will increase production of textiles and will obtain parity for the farmer—something which they say the amendment will not do. Can we not rely on the judgment of the men who have built and have successfully operated the world's biggest business, the business of growing and producing cotton?

Mr. President, on behalf of the cotton farmer, I maintain that he is entitled to the same open-handed justice as any other American citizen. The adoption of the amendment will not give him justice, because labor costs are not computed in the parity formula, but it will give him the price which under the present law he is entitled to receive, it will cause more cotton to be manufactured by the mills, it will take up all the cotton surplus which the opponents of the amendment speak of, and it will promote the war economy of our country.

Mr. President, I submit that the amendment should, by all means, be adopted.

Mr. ELLENDER. Mr. President, today during the debate, when the distinguished Senator from Alabama [Mr. BANKHEAD] was presenting his case, the name of York Wilson was mentioned in a colloquy between the Senator from Alabama and the Senator from New Hampshire [Mr. TOBEY]. I desire to place in the RECORD a letter which I received from Mr. Bowles in relation to Mr. Wilson. Before I read the letter I should like to state that some time last week I was asked by the distinguished Senator from Mississippi [Mr. EASTLAND] to discuss the Bankhead amendment with Mr. Wilson, and at that time I understood the Senator from Mississippi to state that Mr. Wilson was connected with the textile industry. I did not know at the time that he was connected with O. P. A. However, last Monday or Tuesday I learned from the Senator from Mississippi that Mr. Wilson was connected with O. P. A., and I further learned that Mr. Wilson's views did not correspond with those of the O. P. A. Administrator. So I telephoned to Mr. Bowles and he not being in his office, Mr. Rogers talked to me. I explained to Mr. Rogers that I learned that there was some conflict in O. P. A. in respect to the Bankhead amendment, that I was advised that Mr. York Wilson was in favor of it, and that Mr. Bowles and a number of others in O. P. A. were against it. So I asked Mr. Rogers to present my comments to Mr. Bowles. I received from Mr. Bowles the following letter addressed to me:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C.

The Honorable ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.

DEAR SENATOR ELLENDER: Yesterday my deputy, Mr. Rogers, told me of your comment on the fact that an O. P. A. employee, York Wilson, had been serving as an aide to Senators BANKHEAD and EASTLAND in their efforts to make special provision in the Price Control Act for cotton textiles. Since O. P. A. is severely critical of Senator BANKHEAD's textile proposal, I think you are entitled to an explanation of how this situation arose.

Mr. Wilson is the chief accountant in the Textile, Leather, and Apparel Section. His duties do not extend beyond obtaining financial and cost data in response to requests made by our operating personnel. Decisions as to the action called for by this information are made by the operating personnel in accordance with the established pricing policies of the agency.

Several months ago Senator EASTLAND met Mr. Wilson in a conference with O. P. A. staff members over our cotton-textile ceilings. At the end of the meeting Senator EASTLAND re-

quested that Mr. Wilson be made available to him during deliberations upon renewal of the Price Control Act.

I must confess that this arrangement, which we thought would be mutually helpful to Senator EASTLAND and to us, has caused us embarrassment. Mr. Wilson has unfortunately been drawn into an expression of his personal views on matters far beyond his limited and specialized duties as an accountant in this organization. His duties do not give him the authority, nor does he have the qualifications, to speak for the O. P. A. on any policy question. His judgment on these matters suffers from his utter failure to take into account—as I must—all aspects of the price-control problem as a whole. From what I have heard of Mr. Wilson's ideas, I can only say they are one-sided in approach and recklessly inflationary in their consequences.

You are undoubtedly familiar with the position of this Office on the Bankhead amendment. This amendment has been presented to you as a means of raising the farm price of cotton to parity (now about 1 cent higher than the market) and of increasing textile production. However, the proposal is no guaranty that the first of these objectives would be achieved nor has it any real bearing on the second. The price of cotton is held in check and a top limit is set on textile output by factors other than O. P. A. cotton-goods ceilings.

What the Bankhead bill does guarantee is that the consumer will pay increases of a quarter billion dollars or more in prices for clothing, yard goods, and domestics. It is a guaranty of even greater profits to the cotton-textile industry which, on the average, is enjoying profits nine times or more those of pre-war. So generous are the terms of the amendment that it more closely resembles an exemption from price control than a formula for fixing ceilings. Were the Bankhead proposal to become law the Congress could not in fairness refuse equally favorable treatment to other industries.

These are the reasons why I say in all earnestness that, of all changes now under consideration, the Bankhead amendment is the single proposal best calculated to shatter the entire structure of stabilization.

Sincerely,

CHESTER BOWLES,
Administrator.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, I should like to make a statement for the information of Senators. It is my purpose to move that the Senate take a recess until 11 o'clock tomorrow morning. It is very desirable that we proceed as rapidly as possible with the pending legislation. It had been my hope that we might finish it today, but we have not been able to do so. I hope we may finish it tomorrow.

With that purpose in view, after consulting with the Senators in charge of the pending bill and in charge of the amendment, with the minority leader, and with other Senators, I may state that it is agreeable that we meet tomorrow at 11 o'clock, instead of at 12 o'clock.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit the conference report, House bill 4070, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 23, 40, 45, 48, and 62.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 10, 12, 15, 16, 18, 19, 20, 21, 22, 24, 25, 27, 28, 31, 32, 33, 34, 36, 38, 39, 41, 42, 43, 44, 46, 47, 49, 50, 51, 59, and 61 and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9 and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$3,750"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$5,821,900"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$10,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$2,104,500"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$2,500,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$38,000,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$164,044,940"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$1,259,355,440"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 37, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, and 69.

RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
STYLES BRIDGES,
WALLACE H. WHITE, Jr.,
Managers on the part of the Senate.
C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report? The Chair hears none.

Mr. McKELLAR. I move the adoption of the conference report.

The report was agreed to.

Mr. McKELLAR. I now ask the Chair to lay before the Senate the action of the House on certain Senate amendments.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4070, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 1, 1944.

Resolved, That the House recede from its disagreement to the amendments of the Senate Nos. 37 and 69 to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 68 to said bill and concur therein with an amendment as follows:

In line 1 of the matter inserted by said amendment strike out "July 1, 1944," and insert "January 1, 1945."

That the House insist upon its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67 to said bill.

Mr. McKELLAR. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 68.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I now move, Mr. President, that the Senate further insist on its amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67, and ask for a further conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. GLASS, Mr. RUSSELL, Mr. TRUMAN, Mr. GREEN, Mr. McKELLAR, Mr. BRIDGES, and Mr. WHITE conferees on the part of the Senate at the further conference.

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

The PRESIDING OFFICER (Mr. McFARLAND in the Chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1849) for the relief of Muskingum Watershed Conservancy District, which was, on page 2, line 12, after the word "claim", to insert a colon and the following proviso: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. WHITE. Mr. President, let me ask what the bill is.

Mr. ELLENDER. It simply adds an amendment providing that the re-

House of Representatives

FRIDAY, JUNE 9, 1944

The House met at 11 o'clock a. m. and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou whose ears are open to Thy children's prayer and whose heart is fatherly and loving restore unto us our lost estate; our restless spirits yearn for Thee. Cleanse all thoughts and lift all minds, guiding them in the ways of sincerity and judgment, that we may be wise counselors of the great trust committed unto us. As there is a silent witness in every breast, make it more susceptible to Thy holy presence.

O Thou divine Redeemer, as mankind is wrought upon by turmoils and fears, by sin and guilt, Thou who dwellest in eternity, our times are in Thine hands. Grant that men and women may live less and less, revolving about themselves, and that by working here and there, may show forth that we are a Christian nation, with the consciousness that we are serving for the victory of a righteous and a just peace. In the strength of dedication renewed and in opportunities reborn, we pray Thee to confirm the faith of the priests and prophets and the dreams of great souls when love and brotherhood shall shine through all clouds hanging over this seething earth. Pour out Thy spirit upon our whole country until all individual and group selfishness shall be dissolved into unity and into a great fellowship. O God, the days are hard and the nights are long and weary; we therefore earnestly pray for our President and all who are associated with him in authority and Thine shall be the praise forever. Through Christ. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1849. An act for the relief of Muskingum Watershed Conservancy District.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes."

The message also announced that the Senate agrees to the amendment of the

House of Representatives to the amendment of the Senate No. 68 to the foregoing bill.

The message also announced that the Senate further insists upon its amendments Nos. 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67 to said bill, disagreed to by the House of Representatives, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GLASS, Mr. RUSSELL, Mr. TRUMAN, Mr. GREEN, Mr. McKELLAR, Mr. BRIDGES, and Mr. WHITE to be conferees on the part of the Senate.

LEGISLATIVE BRANCH AND JUDICIARY APPROPRIATION BILL, 1945

Mr. O'NEAL submitted the following conference report and statement on the bill (H. R. 4414) making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4414) "making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 30 and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29, and agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$2,985,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 31, 34, and 35.

EMMET O'NEAL,
JOE HENDRICKS,
ALBERT GORE,
NOBLE J. JOHNSON,
WALTER C. FLOESER,
HARVE TIBBOTT,

Managers on the part of the House.

MILLARD E. TYDINGS,
THEODORE FRANCIS GREEN,
FRANCIS MALONEY,
STYLES BRIDGES,
HAROLD H. BURTON,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4414) making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes, sub-

mit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Nos. 1 to 21, inclusive, relating to the Senate: Appropriates for employees and other items, as proposed by the Senate.

Nos. 22 to 26, inclusive, relating to the House: Adjusts salary of one employee; makes \$40,000 immediately available for Capitol buildings, and appropriates \$352,960 for the Senate Office Building, as proposed by the Senate, instead of \$306,955, as proposed by the House.

No. 27, relating to the United States Supreme Court: Substitutes parentheses for commas.

Nos. 28 and 29, relating to the United States Court of Appeals for the District of Columbia: Appropriates \$3,370 for repairs and improvements, as proposed by the Senate, instead of \$2,500, as proposed by the House.

No. 30, relating to the Court of Customs and Patent Appeals: Appropriates \$114,860 for the salaries of judges and other employees, as proposed by the House, instead of \$117,160, as proposed by the Senate.

No. 32, relating to salaries of clerks of courts: Appropriates \$2,985,000, instead of \$2,975,000, as proposed by the House, and \$2,995,710, as proposed by the Senate.

No. 33, relating to the probation system: Appropriates \$1,137,400 for the salaries of probation officers and their clerical assistants, as proposed by the House, instead of \$1,270,040, as proposed by the Senate.

AMENDMENTS REPORTED IN DISAGREEMENT

No. 31, relating to the United States Customs Court: Provides that traveling expenses of judges of the Customs Court shall be paid upon the written certificate of the judge, as proposed by the Senate. The managers will move to recede and concur.

No. 34, relating to individual salary schedules and to the amount of \$1,700,000 for miscellaneous salaries, as proposed by the Senate. The managers will move to recede and concur with an amendment.

No. 35, relating to the amount of \$577,000 for traveling expenses for the judiciary, as proposed by the Senate. The managers will move to recede and concur with an amendment.

EMMET O'NEAL,
JOE HENDRICKS,
ALBERT GORE,
NOBLE J. JOHNSON,
WALTER C. FLOESER,
HARVE TIBBOTT,

Managers on the part of the House.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to spend my own remarks in the Record and to include therein a statement I received from the Department of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

[The matter referred to appears in the Appendix.]

EXECUTIVE OFFICE AND INDEPENDENT ESTABLISHMENTS APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4070) making appropriations for the Executive Office and independent establishments for the fiscal year 1945, with Senate amendments; that the House further insist on its disagreement to the amendments of the Senate Nos. 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67, and agree to the further conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is that agreeable to the minority Members?

Mr. WOODRUM of Virginia. It is.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The SPEAKER appointed the following conferees on the part of the House: Messrs. WOODRUM of Virginia, FITZPATRICK, STARNES of Alabama, HENDRICKS, WIGGLESWORTH, DIRKSEN, and CASE.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a letter from Admiral Vickery showing the shipbuilding production through May 31.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. POAGE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. POAGE]?

There was no objection.

GUAYULE RUBBER PROGRAM

Mr. POAGE. Mr. Speaker, I want to call the attention of the membership to the fact that when the agricultural appropriation conference report comes up for consideration there will be involved the question of the continuation of the guayule-rubber program, and the continuation of research on all of the natural-rubber programs. Those of us on the special subcommittee who made an investigation of our natural-rubber resources feel that the program should be continued. We do not ask that it be enlarged, but we do urge that it be continued, and that the research experiments should not stop. We feel that the Government has a large investment in this program and that it would be a mistake at this time to discontinue the work on it. It would be comparable with pulling up a 2-year-old apple orchard because it had produced no apples.

I hope that the Members will look at page 5659 of the RECORD and note there

some of the figures and data I have placed in the RECORD for the information of those who are not familiar with guayule. This is the only way that I can see whereby the membership will know what we have involved in the guayule program as there will not be sufficient time for discussion when we take up the conference report. The Army, the Navy, and the Rubber Director say we need this guayule as insurance. Only a few members of the House Agricultural Subcommittee on Appropriations feel that we can afford to plow this insurance policy under.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a resolution on the extension of the Price Control Act, and I also ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. OUTLAND]?

There was no objection.

[The matter referred to appears in the Appendix.]

CORRECTION OF RECORD

Mr. SABATH. Mr. Speaker, I request unanimous consent to correct my remarks of Wednesday, June 7, on the floor of the House, appearing at pages 5561 and 5562 of the RECORD. These mistakes were made in the main by the printer. At one place he designated the gentleman from Michigan [Mr. WOLCOTT] as from Kentucky and at another place he left out one line, which completely garbled a whole sentence. At other places I wish to make changes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

EXTENSION OF REMARKS

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an article that appeared in the New York Evening Sun by George E. Sokolski, and I also ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address delivered by Mr. Walter White, executive secretary, National Association for the Advancement of the Colored People.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. McKENZIE, Mr. HOFFMAN, and Mr. JENKINS asked and were given permission to extend their remarks in the RECORD.)

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an edi-

torial which will appear in the next issue of the American Medical Journal.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a news release entitled "Guarding Veterans' Families Against Eviction," appearing in the Sparta Herald, Sparta, Wis., and other Wisconsin newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. LeCOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a set of resolutions of a labor organization of Newton, Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GROSS addressed the House. His remarks appear in the Appendix of today's RECORD.]

EXTENSION OF REMARKS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein the remarks I made in connection with House Resolution 536, together with the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, and in one to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Chickasha Star.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

[The matter referred to appears in the Appendix.]

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

JUNE 14, 1944.—Ordered to be printed

Mr. WOODRUM of Virginia, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4070]

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 30, 52, 53, 54, 55, 56, and 67.

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert the following: *newspapers and periodicals*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows: *teletype news service (not exceeding \$900)*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows: *and not to exceed \$35,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended;* and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert: \$2,000,000; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows: , *and including the temporary employment (not exceeding \$30,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes and the Classification Act of 1923, as amended;* and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In line 3 of the said amendment, after the word "of", insert the words *more than four*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows: *purchase of uniforms for guards and elevator conductors;* and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 35, 57, 64, 65, and 66.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the part of the House.
KENNETH MCKELLAR,
RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, JR.,
Managers on the part of the Senate.

HO
ian
use
id-
ree
ol-
by
ol-
nd
ree
1s-
64.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE.

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate remaining in disagreement to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1, 2, 3, 4, 6, and 8, relating to the Bureau of the Budget: Authorizes the purchase of newspapers and periodicals, instead of authorizing the use of \$500 for such purpose, as proposed by the House, and providing for the purchase of periodicals, only, as proposed by the Senate; authorizes the use of not exceeding \$900 for teletype news service, instead of eliminating such service, as proposed by the Senate, and inserting such authority without specific limitation, as proposed by the House; makes \$35,000 available for temporary employment of persons or organizations without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, instead of \$55,000 for such purpose, as proposed by the House, and elimination of the authorization, as proposed by the Senate; appropriates \$2,000,000 for salaries and expenses, instead of \$1,830,400, as proposed by the Senate, and \$2,290,340, as proposed by the House; makes \$30,000 available for the employment of persons or organizations without regard to section 3709 of the Revised Statutes or the Classification Act of 1923, as amended, in connection with national defense appropriations, instead of \$65,000, as proposed by the House, and the elimination of such authorization, as proposed by the Senate; and limits the Bureau to the maintenance or establishment of not more than four regional, field, or other offices outside the District of Columbia, instead of prohibiting the use of any appropriations for such offices, as proposed by the Senate.

No. 14: Inserts the prohibition against the use of appropriations to the Civil Service Commission for salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, as proposed by the Senate.

No. 29: Authorizes the purchase of uniforms for guards and elevator conductors, instead of purchase, repair, and cleaning of such uniforms, and the purchase of one passenger-carrying vehicle, in connection with public buildings and grounds outside the District of Columbia, as proposed by the House, and the elimination of such authority, as proposed by the Senate.

No. 30: Appropriates \$10,581,000 for salaries and expenses, public buildings and grounds outside the District of Columbia, under the Public Buildings Administration, as proposed by the House, instead of \$9,581,000, as proposed by the Senate.

Nos. 52, 53, 54, 55, and 56, relating to the Tennessee Valley Authority: Strikes out the language of the Senate, providing a direct appropriation and that revenues of the Tennessee Valley Authority be deposited in the Treasury quarterly, and restores the language proposed by the House with reference to the expenditure of such revenues.

No. 67: Strikes out the provision of the Senate with reference to the payment of salary to any person filling any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person, and with reference to confirmation by the Senate of persons paid at the rate of \$4,500 or more per annum, and restores the provision of the House prohibiting the use of funds to pay any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of such nomination.

AMENDMENTS IN DISAGREEMENT

Amendments reported in disagreement are as follows:

No. 35: Relating to the release of funds heretofore appropriated to the Public Roads Administration but impounded or withheld from obligation. The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 57: Relating to the Tennessee Valley Authority. The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 64: Relating to the operation of Government-owned automobiles. The House managers will further insist on disagreement to the Senate amendment.

No. 65: Relating to the operation of Government-owned automobiles. The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 66: Relating to the operation of Government-owned automobiles. The House managers will further insist on disagreement to the Senate amendment.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.

ances are united in a grim determination to see this devastating war through to the bitter end. I know that the Nation is proud of this achievement.

INDEPENDENT OFFICES APPROPRIATION BILL, 1945—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that the conferees on the independent offices appropriation bill may have until midnight tonight to file a report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4070) "making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 30, 52, 53, 54, 55, 56, and 67.

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "newspapers and periodicals"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "teletype news service (not exceeding \$900)"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and not to exceed \$35,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended,"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "\$2,000,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and including the temporary employment (not exceeding \$30,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes and the Classification Act of 1923, as amended"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In line 3 of the said amendment after

the word "of", insert the words "more than four"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "purchase of uniforms for guards and elevator conductors,"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 35, 57, 64, 65, and 66.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, Jr.,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate remaining in disagreement to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1, 2, 3, 4, 6, and 8, relating to the Bureau of the Budget: Authorizes the purchase of newspapers and periodicals, instead of authorizing the use of \$500 for such purpose, as proposed by the House, and providing for the purchase of periodicals, only, as proposed by the Senate; authorizes the use of not exceeding \$900 for teletype news service, instead of eliminating such service, as proposed by the Senate, and inserting such authority without specific limitation, as proposed by the House; makes \$35,000 available for temporary employment of persons or organizations without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, instead of \$55,000 for such purpose, as proposed by the House, and elimination of the authorization, as proposed by the Senate; appropriates \$2,000,000 for salaries and expenses, instead of \$1,830,400, as proposed by the Senate, and \$2,290,340, as proposed by the House; makes \$30,000 available for the employment of persons or organizations without regard to section 3709 of the Revised Statutes or the Classification Act of 1923, as amended, in connection with national defense appropriations, instead of \$65,000, as proposed by the House, and the elimination of such authorization, as proposed by the Senate; and limits the Bureau to the maintenance or establishment of not more than four regional, field, or other offices outside the District of Columbia, instead of prohibiting the use of any appropriations for such offices, as proposed by the Senate.

No. 14: Inserts the prohibition against the use of appropriations to the Civil Service Commission for salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, as proposed by the Senate.

No. 29: Authorizes the purchase of uniforms for guards and elevator conductors, instead of purchase, repair, and cleaning of such uniforms, and the purchase of one pas-

senger-carrying vehicle, in connection with public buildings and grounds outside the District of Columbia, as proposed by the House, and the elimination of such authority, as proposed by the Senate.

No. 30: Appropriates \$10,581,000 for salaries and expenses, public buildings and grounds outside the District of Columbia, under the Public Buildings Administration, as proposed by the House, instead of \$9,581,000, as proposed by the Senate.

Nos. 52, 53, 54, 55, and 56, relating to the Tennessee Valley Authority: Strikes out the language of the Senate, providing a direct appropriation and that revenues of the Tennessee Valley Authority be deposited in the Treasury quarterly, and restores the language proposed by the House with reference to the expenditure of such revenues.

No. 67: Strikes out the provision of the Senate with reference to the payment of salary to any person filling any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person, and with reference to confirmation by the Senate of persons paid at the rate of \$4,500 or more per annum, and restores the provision of the House prohibiting the use of funds to pay any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of such nomination.

AMENDMENTS IN DISAGREEMENT

Amendments reported in disagreement are as follows:

No. 35, relating to the release of funds heretofore appropriated to the Public Roads Administration but impounded or withheld from obligation: The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 57, relating to the Tennessee Valley Authority: The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 64, relating to the operation of Government-owned automobiles: The House managers will further insist on disagreement to the Senate amendment.

No. 65, relating to the operation of Government-owned automobiles: The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 66, relating to the operation of Government-owned automobiles: The House managers will further insist on disagreement to the Senate amendment.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,

Managers on the part of the House.

NAVY DEPARTMENT APPROPRIATION BILL, 1945

Mr. SHEPPARD submitted the following conference report and statement on the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, having met, after full and free conference, have agreed to

recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8 and 9.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,

Managers on the part of the House.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
STYLES BRIDGES,
RUFUS C. HOLMAN,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 8 and 9 to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 8: Strikes out the provision proposed by the Senate for the resale to the original owners of land in Oklahoma, found to contain oil after acquisition by the Navy.

Amendment No. 9, relating to public works: Strikes out the provision proposed by the Senate requiring the conduct of a canvass of existing facilities that might be available for naval uses, publicly or privately owned, as a condition precedent to the provision of new ones.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,

Managers on the part of the House.

EXTENSION OF REMARKS

Mr. MERRITT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a brief series of editorials from the Capital Times, of Madison, Wis.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

REGULATION OF LIABILITY OF AIR CARRIERS AND FOREIGN AIR CARRIERS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. O'HARA addressed the House. His remarks appear in the Appendix of today's RECORD.]

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in two instances—in one to include a petition from my district and in the other to include a speech I made on the occasion of a visit to the Baer Airport of Fort Wayne, Ind.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

UNITED NATIONS DAY

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, this is United Nations Day. The United Nations comprise the 31 Allied Governments that are banded together for the purpose of defeating the Axis Powers, and their cooperation means much in the winning of this war and the winning of the peace. It is hoped that these nations that are now fighting the Axis forces may continue united in their efforts to accomplish both objectives, the winning of this war at the earliest possible time and the winning of the peace so that we may not have another war, at least within the next generation.

Unless we remain united after the war to prevent aggression, other dictators will arise and wage the Third World War.

It is the duty of our Government to continue steadfast and united with these other powers to preserve peace and prevent aggression, and this I believe the American people are resolved to do.

The Fulbright resolution in the House and the Connally resolution in the Senate, both of which passed at this session by large majorities, indicate that to be the will of Congress, and Congress is the best barometer of the attitude of the American people.

APPROPRIATIONS FOR DEFENSE AID (LEND-LEASE)

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4937) making appropriations for defense aid—lend-lease—for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection, and the Speaker appointed the following conferees on the part of the House: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, RABAUT, JOHNSON of Oklahoma, TABER, WIGGLESWORTH, LAMBERTSON, and POWERS.

ARMY NURSE CORPS

Mr. MAY. Mr. Speaker, a few days ago the House passed the bill (S. 1808) to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army—exclusive of students and apprentices—and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes. This bill went to the Senate and the Senate struck out the Navy portion. I ask unanimous consent to take this bill from the Speaker's table and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out section 9.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

Mr. MAY. Mr. Speaker, I am advised by the Parliamentarian that the Senate agreed to an amendment to the title and I ask unanimous consent to concur in that amendment also. I can explain why that is, if it is desirable.

The SPEAKER. The Senate disagreed to the amendment of the House to the title of the bill.

Mr. MAY. Mr. Speaker, the amendment to the title results from the fact that the Senate struck the Navy Nurse Corps completely out of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, what is the gentleman's request?

Mr. MAY. Mr. Speaker, I ask unanimous consent that the House recede and concur in the Senate amendment relating to the title of the bill.

Mr. ANDREWS of New York. This is to correct the title?

Mr. MAY. Yes.

Mr. MARTIN of Massachusetts. All this does is correct the title?

Mr. MAY. That is all.

Mr. McCORMACK. The request now is to correct the title, the previous one being to concur in the Senate amendment where they struck out the reference to the Navy?

Mr. MARTIN of Massachusetts. I did not know what the gentleman's second request was.



from those who are required to make payments, and a backlog of about \$5,000,000 is involved. It is a three-way operation. The operation consists of payments to beneficiaries which, as the Senator from Tennessee has pointed out, is not a large operation, involving approximately only \$60,000,000 in these days of full employment. Therefore, if the entire \$25,000,000 or \$31,000,000 were required in order to distribute \$60,000,000 to beneficiaries, it would seem to be an exorbitant appropriation. But even in these days of full employment there is seen another side of the picture. Of course, there is a small amount of disbursement for unemployment. There is a great amount of expenditure in connection with necessary administration in collecting and keeping track of the money and posting the payments which are received from employees in time of full employment.

It is pointed out that the sum which is involved, \$31,000,000, comes well within the funds collected for this purpose by the Government. It is \$4,300,000 less than the appropriation for this year and \$2,300,000 less than the actual expenses for this year.

Therefore, I believe the Senate would be wise to restore the figure to \$31,000,000, which is the figure, as I understand, recommended by the Bureau of the Budget, and thus allow the item to go to conference where the conferees may take into consideration the arguments which are now, for the first time, coming in from many States directly involved in the consideration of this issue. The conferees, therefore, will be able to decide between the \$25,000,000 and the \$31,000,000. If it is not done in that way, the issue will be foreclosed, and, to use the words of Mr. Altmeyer, this would be the effect of it—I quote from his testimony before the Senate committee:

But, as I say, the \$31,000,000 requested for next year is \$4,300,000 less than this year's appropriation, or \$2,300,000 less than the sum to be actually expended.

Senator McKellar asked this question:

Will that \$25,000,000 allowed by the House cover it?

Mr. Altmeyer replied:

I am confident it will not cover it without serious loss of efficiency and the creation of an impossible situation for these State agencies.

So, Mr. President, those who believe in retaining and strengthening the State agencies should now vote to make the figure \$31,000,000.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. WILEY].

Mr. BRIDGES. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Buck	Cordon
Austin	Burton	Danaher
Ball	Bushfield	Davis
Bankhead	Butler	Downey
Barkley	Byrd	Eastland
Bilbo	Capper	Ellender
Brewster	Chavez	Ferguson
Bridges	Connally	George

Gerry	Mead	Thomas, Idaho
Gillette	Millikin	Thomas, Okla.
Guffey	Moore	Truman
Gurney	Murdock	Tunnell
Hatch	Murray	Tydings
Hawkes	O'Mahoney	Vandenberg
Hill	Overton	Wagner
Holman	Pepper	Wallgren
Johnson, Colo.	Radcliffe	Walsh, Mass.
Kilgore	Reed	Walsh, N. J.
La Follette	Revercomb	Weeks
Lucas	Reynolds	Wherry
McClellan	Robertson	White
McFarland	Russell	Wiley
McKellar	Shipstead	Willis
Maloney	Stewart	
Maybank	Taft	

The PRESIDING OFFICER. Seventy-three Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Wisconsin [Mr. WILEY], on which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS] which I transfer to my colleague, the junior Senator from New Hampshire [Mr. TOBEY], and will vote. I vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I do not know how the Senator from Kentucky would vote if present and voting. I transfer my pair to the junior Senator from North Dakota [Mr. LANGER], and will vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senators from Nevada [Mr. McCARRAN] and Mr. SCRUGHAM are absent on official business.

The Senator from Texas [Mr. CONNALLY] is detained in a committee meeting.

The Senator from Florida [Mr. ANDREWS], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Indiana [Mr. JACKSON], the Senator from Maryland [Mr. RADCLIFFE], the Senator from South Carolina [Mr. SMITH], and the Senator from Montana [Mr. WHEELER] are detained on public business. I am advised that if present and voting, the Senator from Pennsylvania [Mr. GUFFEY] would vote "yea," and the Senator from Maryland [Mr. RADCLIFFE] would vote "nay."

The Senators from North Carolina [Mr. BAILEY] and Mr. REYNOLDS], the Senator from Louisiana [Mr. OVERTON], the Senator from Texas [Mr. O'DANIEL], and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Mississippi [Mr. BILBO] is detained in one of the Govern-

ment departments on matters pertaining to his State.

The Senator from Nevada [Mr. McCARRAN] is paired on this question with the Senator from Louisiana [Mr. OVERTON]. I am advised that if present and voting, the Senator from Nevada would vote "yea," and the Senator from Louisiana would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from North Dakota [Mr. LANGER], the Senator from North Dakota [Mr. NYE], and the Senator from Iowa [Mr. WILSON] are necessarily absent.

The Senator from North Dakota [Mr. NYE] has a general pair with the Senator from Arizona [Mr. HAYDEN].

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The result was announced—yeas 45, nays 19, as follows:

YEAS—45

Aiken	Gerry	Revercomb
Austin	Gillette	Shipstead
Ball	Hatch	Taft
Barkley	Hawkes	Truman
Bridges	Hill	Tunnell
Burton	Johnson, Colo.	Tydings
Butler	Kilgore	Vandenberg
Capper	La Follette	Wagner
Chavez	Lucas	Wallgren
Cordon	McFarland	Walsh, Mass.
Danaher	Mead	Walsh, N. J.
Davis	Millikin	Weeks
Downey	Murdock	Wherry
Ferguson	Murray	Wiley
George	Pepper	Willis

NAYS—19

Bankhead	Holman	Robertson
Buck	McClellan	Russell
Bushfield	McKellar	Stewart
Byrd	Maloney	Thomas, Okla.
Eastland	Maybank	White
Ellender	Moore	
Gurney	Reed	

NOT VOTING—32

Andrews	Glass	Overton
Bailey	Green	Radcliffe
Bilbo	Guffey	Reynolds
Bone	Hayden	Scrugham
Brewster	Jackson	Smith
Brooks	Johnson, Calif.	Thomas, Idaho
Caraway	Langer	Thomas, Utah
Chandler	McCarran	Tobey
Clark, Idaho	Nye	Wheeler
Clark, Mo.	O'Daniel	Wilson
Connally	O'Mahoney	

So Mr. WILEY's amendment was agreed to.

The PRESIDING OFFICER. The question is on the final passage of the bill. Mr. BRIDGES. Mr. President, on page 56, after line 23, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator can do that only by unanimous consent.

Mr. BRIDGES. I ask unanimous consent that I may be permitted to offer an amendment on page 56, after line 23, to clarify that section of the bill.

Mr. McKellar. What is the section? Mr. BRIDGES. The National Labor Relations Board title, line 23, page 56.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? The Chair hears none.

Mr. BRIDGES. Mr. President, I offer the amendment, in line 23 to add these words:

The existence of an agreement or a renewal thereof between management and a labor organization on or before July 1, 1942, with-

out complaint being filed by an employee or employees, shall, however, be prima facie evidence that the organization has not been formed in violation of such section 158.

The amendment merely clarifies the language so that there will not be any twilight zone. I think it is a sound amendment and should be agreed to.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In title IV, page 56, at the end of line 23, it is proposed to insert the following:

The existence of an agreement or a renewal thereof between management and a labor organization on or before July 1, 1942, without complaint being filed by an employee or employees, shall, however, be prima facie evidence that the organization has not been formed in violation of such section 158.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the final passage of the bill.

The bill (H. R. 4899) was passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representative thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. McKELLAR, Mr. RUSSELL, Mr. BANKHEAD, Mr. TRUMAN, Mr. WHITE, and Mr. REED conferees on the part of the Senate.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. OVERTON. I submit a conference report on the Navy Department appropriations bill.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8 and 9.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
STYLES BRIDGES,
RUFUS C. HOLMAN,

Managers on the part of the Senate.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. FLOESER,

Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. WHITE. Mr. President, I inquire if the report was signed by the minority members of the conference committee on the part of the Senate?

Mr. OVERTON. It was signed by all Senators in attendance at the conference.

Mr. President, I wish to make a statement about the two amendments from which the Senate conferees receded. Amendment No. 8 relates to the war aviation field in Oklahoma where oil has been discovered. The amendment which the Senate proposed was to revest the title in the original owners of the land upon their returning the purchase price and reimbursing the Federal Government for the cost of whatever improvements it had made.

Amendment numbered 9, from which we receded, was the provision that none of the funds shall be used by the Navy Department to build facilities where there are existing facilities either publicly or privately owned, which in the judgment of the Secretary of the Navy could be obtained at a reasonable cost.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

AIR ATTACK ON JAPANESE MAINLAND

Mr. PEPPER. Mr. President, I do not wish the news to become stale, that our B-29's, known as our Super Fortresses, have today bombed the mainland of Japan, without paying a word of tribute to all those who have had some part in the building of the marvelous air force which is responsible for that encouraging achievement. I know of nothing more illustrative of the greatness of the American people than their ability to start with a handful of airplanes at the time they were attacked by a vicious enemy in December 1941 and be able today to accomplish such a marvelous feat.

Too great credit cannot be given to General Arnold, who has fathered and pioneered our great and incomparable air force.

Mr. REED. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. REED. I wish to invite the attention of the Senator to the fact that the B-29 airplane is made almost exclusively in Kansas. [Laughter.]

Mr. PEPPER. I am sure that the Senator from Kansas is quite proud, and justly so of that airplane.

Mr. REED. I have visited the Boeing plant at Wichita, Kans., where the B-29 is made. I have visited there several times with the approval of the Army and the courtesy of the management of the plant. The factory is a marvelous one, and it is manufacturing one of the most wonderful airplanes of the age.

Mr. PEPPER. I thank the Senator from Kansas.

To those who have been responsible for encouraging and stimulating an interest in the development of our air power, from Gen. Billy Mitchell and all who were associated with him down to

Major de Seversky, we owe a great debt of gratitude. I am sure the heartfelt thanks to the millions of this country go out to those who created the magnificent fortresses of the air, and to the faithful men and women who have worked in the factories in accomplishing significant results. We are proud of their accomplishments. We know that they will rapidly hasten the crushing of the enemy and the establishment of permanent peace.

SUSPENSION OF CERTAIN REQUIREMENTS RELATING TO WORK ON TUNNEL SITES

The PRESIDING OFFICER (Mr. MURDOCK in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1479) providing for the suspension of certain requirements relating to work on tunnel sites, which was on page 1, line 5, to strike out "war" and insert "wars."

Mr. MURRAY. I move that the Senate concur in the House amendment.

The motion was agreed to.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit the conference report on House bill 4070, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 30, 52, 53, 54, 55, 56, and 67.

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "newspapers and periodicals"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows: "teletype news service (not exceeding \$900)"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and not to exceed \$35,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert: "\$2,000,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and including the temporary employment (not exceeding \$30,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes and the Classification Act of 1923, as amended"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In line 3 of of the said amendment, after the word "of", insert the words "more than four"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "purchase of uniforms for guards and elevator conductors,"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 35, 57, 64, 65, and 66.

KENNETH B. MCKELLAR,
RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, Jr.,
Managers on the part of Senate.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the part of the House.

Mr. BRIDGES. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRIDGES. What is the Senate considering at the moment?

Mr. MCKELLAR. I have presented the conference report on the executive and independent offices appropriation bill. The House has agreed to the report. It is now proposed that the Senate complete action on the measure and send it to the President.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MCKELLAR. I move the adoption of the conference report.

The report was agreed to.

Mr. MCKELLAR. I now ask the Chair to lay before the Senate the message from the House announcing its action on certain Senate amendments.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4070, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 15, 1944.

Resolved, That the House recede from its disagreement to the amendment of the Sen-

ate numbered 35 to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, and concur therein with an amendment as follows: In line 6 of the matter inserted by said Senate engrossed amendment, after "appropriated" insert "subject to the approval of the Chairman of the War Manpower Commission as to the availability of manpower and subject to the approval of the Chairman of the War Production Board as to the availability of critical materials."

That the House recede from its disagreement to the amendment of the Senate No. 57 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "and accounted for as one fund to be known as the 'Tennessee Valley Authority fund 1945', to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944,' and the Tennessee Valley Authority shall file reports every 4 months with the two Appropriations Committees of the Congress of all its receipts and expenditures."

That the House recede from its disagreement to the amendment of the Senate No. 65 to said bill and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert a period and the following: "Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office."

That the House still further insist upon its disagreement to the amendments of the Senate Nos. 64 and 66 to said bill.

Mr. MCKELLAR. Mr. President, in order to complete action on the bill I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 35, 57, and 65.

Mr. WHITE. Mr. President, it is almost impossible to know what is happening when we deal with amendments by number only. Will the Senator indicate what the amendments are?

Mr. MCKELLAR. I will ask that the clerk be directed to read the House action on Senate amendment numbered 35.

The PRESIDING OFFICER. The clerk will read, as requested.

The Chief Clerk read as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 35 to the bill and concur therein with an amendment as follows: In line 6 of the matter inserted by said Senate engrossed amendment, after "appropriated" insert "subject to the approval of the Chairman of the War Manpower Commission as to the availability of manpower and subject to the approval of the Chairman of the War Production Board as to the availability of critical materials."

Mr. WHITE. Will the Senator indicate what that means?

Mr. MCKELLAR. It provides for a release of certain critical war materials which have been impounded for some time. I am sure the Senator is in favor of it. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 35. The motion was agreed to.

Mr. MCKELLAR. I now move that the Senate concur in the amendment of the

House to the amendment of the Senate numbered 57. That deals with the Tennessee Valley Authority.

Mr. MAYBANK. Mr. President, what is the amendment?

The PRESIDING OFFICER. The House action on the amendment will be read.

The Chief Clerk read as follows:

That the House recede from its disagreement to the amendment of the Senate No. 57 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "and accounted for as one fund to be known as the 'Tennessee Valley Authority fund, 1945,' to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944,' and the Tennessee Valley Authority shall file reports every 4 months with the two appropriations committees of the Congress of all its receipts and expenditures."

Mr. MCKELLAR. Mr. President, the Senate conferees receded on the Tennessee Valley Authority amendment on which we had previously insisted before, and we agreed to an amendment to the House provision.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. MCKELLAR. Mr. President, I now ask that the House action on the Senate amendment numbered 65 be read.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk read as follows:

That the House recede from its disagreement to the amendment of the Senate No. 65 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert a period and the following: "Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office."

Mr. WHITE. Mr. President, am I correct in my understanding that the substance of that amendment involves a receding by the Senate from the penalty it provided for unlawful use of Government-owned automobiles, and substitutes therefor dismissal from office?

Mr. MCKELLAR. The Senator accurately states the matter. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 65.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. MCKELLAR. Mr. President, I now move that the Senate recede from its amendments numbered 64 and 66.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. MCKELLAR. As I understand, that completes action on the bill, and it will now go to the President.

The PRESIDING OFFICER. The Senator's statement is correct.

APPROPRIATIONS FOR WAR AGENCIES

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 4879, making appropriations for war agencies.

Mr. RUSSELL. Mr. President, before action is taken on the motion I wish to say that there is one amendment in the bill which is supposed to go over until tomorrow, and I want some understanding about that before the Senate proceeds to consideration of the bill.

Mr. President, I wish first to have an understanding as to the item on page 10, beginning in line 3, known as the appropriation for the Committee on Fair Employment Practice, an item which has not heretofore been in the bill, and which ratifies the creation of an executive agency by the President. I wish to have an understanding that that provision shall not be considered today.

Mr. McKELLAR. Mr. President, the Senator spoke to me about that provision this morning, and, so far as I am concerned, I have no objection whatsoever to that particular item going over until tomorrow. As I understand there will be considerable discussion about it on both sides of the aisle.

Mr. RUSSELL. I ask unanimous consent that the provision be not considered before tomorrow.

Mr. WHITE. Mr. President, I want to be sure I understand the Senator's request. Is the Senator from Georgia asking that the item respecting the Committee on Fair Employment Practice go over until tomorrow?

Mr. RUSSELL. Yes. I ask that no action shall be taken on the item dealing with this agency until tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

The question now is on agreeing to the motion of the Senator from Tennessee that the Senate proceed to the consideration of House bill 4879.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

I must make an exception of the amendments in the section relating to the Committee on Fair Employment Practice, on page 10, after line 2. It is my understanding that the entire section relating to the Committee on Fair Employment Practice will go over until tomorrow, and I ask unanimous consent that those amendments be passed over.

Mr. RUSSELL. I understand that has already been agreed to.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

Mr. MAYBANK. Mr. President, I submit two amendments to the pending bill which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendments will be printed and lie on the table.

The clerk will state the first amendment reported by the committee.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President," on page 4, after line 5, to strike out:

SELECTIVE SERVICE SYSTEM

Salaries and expenses, Selective Service System: For all expenses necessary for the operation and maintenance of the Selective Service System as authorized by the Selective Training and Service Act of 1940 (50 U. S. C. App. 301); including not to exceed \$400,000 for printing and binding; purchase, for replacement, of not to exceed 32 motor-propelled passenger-carrying vehicles; and, under such rules or regulations as may be prescribed by the Director of Selective Service, expenses of emergency medical care, including hospitalization, of registrants who suffer illness or injury, and the transportation, and burial, of the remains of registrants who suffer death, while acting under orders issued under the Selective Service law but such burial expenses shall not exceed \$150 in any one case; \$61,500,000: *Provided*, That such amounts as may be necessary shall be available for the planning, directing, and operation of a program of work of national importance under civilian direction, either independently or in cooperation with governmental or nongovernmental agencies, and the assignment and delivery thereto of individuals found to be conscientiously opposed to participation in work of the land or naval forces, which cooperation with other agencies may include the furnishing of funds to and acceptance of money, services, or other forms of assistance from such nongovernmental agencies for the more effectual accomplishment of the work; and for the pay and allowances of such individuals at rates not in excess of those paid to persons inducted into the Army under the Selective Service System, and such privileges as are accorded such inductees: *Provided further*, That the travel of persons engaged in the administration of the Selective Service System, including commissioned, warrant, or enlisted personnel of the Army, Navy, Marine Corps, or their reserve components, may be ordered by the Director or by such persons as he may authorize, and persons so traveling shall be entitled to transportation and subsistence or per diem in lieu of subsistence, at rates authorized by law: *Provided further*, That the Director of Selective Service, in prescribing per diem rates of allowance, not exceeding \$7, in lieu of subsistence for officers of the Army, Navy, and Marine Corps, and of the reserve components thereof, traveling on official business and away from their designated posts of duty, pursuant to the first paragraph of section 12 of the act approved June 16, 1942 (37 U. S. C. 112), is hereby authorized to prescribe such per diem rates of allowance, whether or not orders are given to such officers for travel to be performed repeatedly between two or more places in the same vicinity, and without regard to the length of time away from their designated posts of duty under such orders.

Mr. WHITE. Mr. President, I should like to ask the Senator from Tennessee a question. As I understand, the first amendment is to strike out certain language on page 4 of the bill and transfer it to some other place in the bill.

Mr. McKELLAR. The Senator is correct.

Mr. WHITE. As I understand, there is no change in the substance.

Mr. McKELLAR. The Senator is entirely correct.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "Executive Office of the President—Office for Emergency Management—Division of Central Administrative Services", on page 8, line 13, after "(not to exceed \$50,000);" to strike out "\$7,783,000" and insert "\$8,356,000", and in line 14, after the amendment just above stated, to strike out the following proviso: "*Provided*, That there may be transferred from this appropriation to appropriations available to the constituent agencies of the Office for Emergency Management and to other agencies such amounts as may be necessary in connection with the transfer of functions from the Division to such agencies and funds so transferred shall be consolidated with and shall be expendable in the same manner as funds of the agencies to which functions are transferred" and insert in lieu thereof the following provisos: "*Provided*, That there may be transferred to this appropriation from appropriations available to the constituent agencies of the Office for Emergency Management and to the Office of Price Administration such amounts as may be necessary for the procurement of supplies, equipment, and services for such agencies and such Administration, and funds so transferred shall be consolidated with and shall be expendable in the same manner as this appropriation: *Provided further*, That the constituent agencies (except the War Shipping Administration) of the Office for Emergency Management and the Office of Price Administration shall not establish, in the District of Columbia or in the field, fiscal, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such service."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Civilian Defense," on page 9, line 17, after the word "exceed", to strike out "\$150,300" and insert "\$112,725"; in line 18, after the word "exceed", to strike out "\$13,000" and insert "\$9,750"; in the same line, before the word "and", to strike out "\$538,500" and insert "\$403,875"; in line 19, before the word "for", to strike out "\$461,500" and insert "\$346,125", and in line 21, after the words "in all", to strike out "\$1,000,000" and insert "\$750,000."

The amendment was agreed to.

The next amendment was, under the subhead "Committee on Fair Employment Practice," on page 10, line 5, after the word "out", to strike out "the" and insert "any"; in the same line, after the word "functions", to insert "lawfully"; and in line 8, before the words "per

Thomas N. Curran, of Maine, to be United States marshal for the District of Maine, vice John C. Utterback, resigned.

IN THE NAVY

Commodore Andrew F. Carter, U. S. N. R., to be a rear admiral in the Naval Reserve, for temporary service, to continue while serving as executive, Army-Navy Petroleum Board.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

David S. Ward, Cuba, Ala., in place of Jack Vaughan, transferred.

David R. Wyatt, Eden, Ala. Office became Presidential July 1, 1943.

ARKANSAS

Benjamin P. Davis, Altus, Ark. Office became Presidential July 1, 1943.

Canda E. Smith, Lowell, Ark. Office became Presidential July 1, 1943.

CALIFORNIA

Edward F. Schobert, Lathrop, Calif. Office became Presidential July 1, 1943.

Fred B. Rossi, St. Helena, Calif., in place of Joseph Galewsky, retired.

Charles H. Elgar, San Gabriel, Calif., in place of L. C. Murphy, resigned.

FLORIDA

Alice W. Martin, Bay Pines, Fla., in place of L. F. Baxley, removed.

IDAHO

Lawrence A. Gillett, Declo, Idaho. Office became Presidential July 1, 1943.

Jessie W. Wilson, Weippe, Idaho, in place of L. M. Pratt, removed.

ILLINOIS

Robert E. Ward, Chillicothe, Ill., in place of W. T. McCanna, deceased.

Clarence H. Lindsay, Tilden, Ill., in place of George Lyons, resigned.

IOWA

Eugene J. Halligan, Davenport, Iowa, in place of H. J. McFarland, deceased.

Achsa F. Lookabill, Hastings, Iowa. Office became Presidential July 1, 1943.

Fae A. Deitchler, Silver City, Iowa. Office became Presidential July 1, 1943.

KANSAS

Ivan R. Cordill, Bern, Kans. Office became Presidential July 1, 1943.

MISSISSIPPI

Archie Patterson, Pinola, Miss. Office became Presidential July 1, 1943.

Clara L. Wright, West Enterprise, Miss. Office became Presidential July 1, 1943.

NEBRASKA

Walter J. Baur, Dix, Nebr. Office became Presidential July 1, 1943.

NEW HAMPSHIRE

Irving Rolston, Greenland, N. H. Office became Presidential July 1, 1943.

NEW JERSEY

Fred Gordon Lowden, Leesburg, N. J., in place of G. A. Fowler, resigned.

Catherine E. Kenny, Mountain Lakes, N. J., in place of P. B. Hanlon, resigned.

NEW MEXICO

Bettie E. Jones, Corona, N. Mex., in place of R. L. Thomas, resigned.

NEW YORK

Mildred M. Jones, Haganam, N. Y., in place of L. C. Vunk, removed.

NORTH CAROLINA

Jessie L. Shipman, Horse Shoe, N. C. Office became Presidential July 1, 1943.

Audrey Hoggard, Lewiston, N. C. Office became Presidential July 1, 1943.

OHIO

Mary I. Timko, Barton, Ohio. Office became Presidential July 1, 1943.

Homer T. Gates, Moscow, Ohio. Office became Presidential July 1, 1943.

Raymond E. Schryver, Warren, Ohio, in place of H. J. Dixon, deceased.

Harry R. Eastwood, West Richfield, Ohio. Office became Presidential July 1, 1943.

OKLAHOMA

Florence A. Davis, Goltry, Okla. Office became Presidential July 1, 1943.

Marle Eden, Kinta, Okla. Office became Presidential July 1, 1943.

Rex T. Strickland, Madill, Okla., in place of R. T. Strickland, Incumbent's commission expired June 23, 1942.

Ida M. Duke, Ninnekah, Okla. Office became Presidential July 1, 1943.

Lellah V. Walkor, Spavinaw, Okla. Office became Presidential July 1, 1943.

OREGON

Fred O. Parsons, Hammond, Oreg. Office became Presidential July 1, 1943.

Isabella E. Lee, Jordan Valley, Oreg., in place of M. M. Anderson, resigned.

PENNSYLVANIA

Clarence R. Kring, Davidsville, Pa. Office became Presidential July 1, 1943.

Vernon M. Hatch, Forksville, Pa. Office became Presidential July 1, 1943.

Gertrude M. Reed, Great Bend, Pa., in place of Carrie Stephens, retired.

John Stipanovich, Harwick, Pa. Office became Presidential July 1, 1943.

Carrie Walpusk, Jenners, Pa. Office became Presidential July 1, 1943.

Ralph W. Whipkey, Ohlerville, Pa. Office became Presidential July 1, 1943.

Pauline J. Ceryak, Tire Hill, Pa., in place of Mary Kauffman, deceased.

SOUTH CAROLINA

Anna F. Foy, Early Branch, S. C. Office became Presidential July 1, 1943.

Mattie H. Graham, Pomaria, S. C. Office became Presidential July 1, 1943.

SOUTH DAKOTA

Iiah L. Scriber, South Shore, S. Dak. Office became Presidential July 1, 1943.

TENNESSEE

Edith Caldwell, Lupton City, Tenn. Office became Presidential July 1, 1943.

Amy E. Davis, Oakdale, Tenn., in place of L. N. Alley, deceased.

TEXAS

Hazel M. Ricks, De Kalb, Tex., in place of T. B. Lenox, deceased.

VERMONT

John E. Stewart, Morrisville, Vt., in place of J. E. Stewart. Incumbent's commission expired June 23, 1942.

VIRGINIA

James B. Blake, Sandston, Va., in place of E. P. White, resigned.

WASHINGTON

Velma P. Hix, Duvall, Wash. Office became Presidential July 1, 1943.

WEST VIRGINIA

Irvin G. Bowman, Petersburg, W. Va., in place of G. L. Smith, transferred.

Benjamin F. Hall, Thorpe, W. Va. Office became Presidential July 1, 1942.

WISCONSIN

Carl W. Janssen, De Pere, Wis., in place of J. S. McHugh, removed.

John J. Burkhard, Monroe, Wis., in place of J. J. Burkhard. Incumbent's commission expired May 28, 1941.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15 (legislative day of May 9), 1944:

POSTMASTERS

CALIFORNIA

Esther D. Willson, Bigpine.

COLORADO

James D. Wilson, Monte Vista.
Thomas H. Wand, Paonia.

KANSAS

Clarence G. Nevins, Dodge City.
J. S. Shilling, Junction City.
Helen Six, Lyons.

NEW YORK

Harold W. Becker, Catskill.
Ernest Rose, Central Valley.
Christena L. Sands, Hamden.
Graham Chapman, North Cohocton.
George P. Murphy, Roslyn Heights.
Frank C. Beams, Schenectady.
Stephen H. Keating, Waterford.

OKLAHOMA

Verdia Comer, Big Cabin.

TEXAS

Laura Harrison North, Riviera.
Robert L. Smith, Roaring Springs.
Levi E. Baker, Shallowater.
Clyde V. Welch, Somerville.

WASHINGTON

Allison C. Presson, Buena.

WYOMING

Fred B. Borne, Hulett.

House of Representatives

THURSDAY, JUNE 15, 1944

The House met at 11 o'clock a. m.
The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art the Lord of life, as we contemplate Thy works, grant that our hearts may be in tune with nature and in harmony with Thy holy purpose. Speak to us and blend our words in full accord with the music of Thy love and in the strength of Thy wisdom, without which shriveled and sunken would be the world in which we live. Thou who knowest our frame, open our spiritual vision that we may behold the marvelous resources which Thou hast prepared for us.

Be pleased to crowd us this day with self-respect, self-knowledge, and self-control which lead to power and influence. We pray for the urgency of a defiant faith from which the substance of a better world can be born—showing a God who is just and good. Help us to feel the warm flames of sympathetic co-operation, breathing the spirit of the Master, and interpreting His rule of conduct. We would remember that we are debtors to a great host of brave men who are serving us that there may be fewer shackles, less guilt and misery among fallen humanity. Do Thou encourage us to be brave and open-minded men and women, deserving the great honor which our Republic has bestowed upon us. At this Capitol shrine, we pray that we may reassert and renew our obligations, work and pray for the highest good. We lift our praise to Thee, O Saviour. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

PROCESSING TAX ON COCONUT OIL

Mr. EBERHARTER. Mr. Speaker, at the request of the gentleman from North Carolina [Mr. DOUGHTON], I ask unanimous consent for the immediate consideration of the bill (H. R. 4837) to extend for an additional 2 years the suspension in part of the processing tax on coconut oil.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. REED of New York. Reserving the right to object, Mr. Speaker, and I am not going to object since I am in favor of the bill. I believe, however, that an explanation of the bill by the gentleman from Pennsylvania would be in order.

Mr. EBERHARTER. I shall be glad to make an explanation as well as I can. I may say in the first instance that this bill was unanimously reported by the Committee on Ways and Means. Its pas-

sage was recommended and even requested by Mr. Crowley, of the Foreign Economic Administration, and Mr. Marvin Jones, of the War Food Administration. It merely extends for an additional period of time the suspension of the processing tax on coconut oil. Originally a processing tax act was passed which gave a monopoly to the importation of coconut oil into this country from the Philippine Islands. Since we are unable to obtain any coconut oil from the Philippine Islands under the present military situation, there is no necessity for such an act any more. Two years ago a law was passed suspending that particular tax act, and this bill merely extends that suspension for an additional 2 years.

Mr. REED of New York. The fact is that, not being able to get this copra and coconut oil from the Philippine Islands, we are deprived of a source of glycerin, which is so essential to the war.

Mr. EBERHARTER. That is correct.

Mr. REED of New York. The extension of this act makes it possible for us to receive this essential source of war materials from sundry islands around the world where coconuts are grown.

Mr. EBERHARTER. That is exactly the situation. Nearly all of this coconut oil is used directly for war purposes. In fact, the importation of it is under the control of the United States Commercial Company, which is an agency of the Federal Government.

Mr. REED of New York. Showing the importance of this, at the present time a great appeal is being made to the housewives to save all the grease possible and turn it in for the manufacture of glycerin.

Mr. EBERHARTER. That is correct.

Mr. REED of New York. In the last World War squads of men had to go over the battlefields and collect everything that could be turned into glycerin. It is so essential that this bill should be passed without controversy.

Mr. EBERHARTER. This is a war measure and it is absolutely necessary. As the gentleman from New York has so well said, it should be passed at this time.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc. That section 2 of the act of September 16, 1942, entitled "An act to suspend in part the processing tax on coconut oil," is amended by striking out "June 30, 1944" and inserting in lieu thereof "June 30, 1946."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 14, 1944.)

Mr. WOODRUM of Virginia. Mr. Speaker, this is in effect a unanimous report, which has been submitted by your conferees. It disposes of all amendments which were in disagreement between the two Houses, and we had a total of 20 amendments in disagreement at the second conference. If the report and the subsequent motions on amendments in technical disagreement are acted upon favorably, it will dispose of the independent offices appropriation bill as far as the House is concerned, and it will go to the President for approval slightly in excess of \$39,000,000 under the Budget estimates submitted to the Congress for consideration in connection with the bill.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: On page 29, after line 1, insert the following:

"All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby released and made available for obligation or expenditure for the purposes for which they were originally appropriated."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate No. 35, and agree to the same with an amendment, as follows: At the end of the matter proposed to be inserted by said amendment, and before the period, insert the following: "subject to the approval of the Chairman of the War Manpower Commission as to the availability of manpower and subject to the approval of the

Chairman of the War Production Board as to the availability of critical materials."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: On page 52, line 19, strike out "and accounted for as one fund to be known as the 'Tennessee Valley Authority fund 1945', to remain available until June 30, 1945; and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944'" and insert in lieu thereof "general fund of the Treasury of the United States."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "and accounted for as one fund to be known as the Tennessee Valley Authority fund, 1945, to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the Tennessee Valley Authority fund, 1944, and the Tennessee Valley Authority shall file reports every 4 months with the two Appropriations Committees of the Congress of all its receipts and expenditures."

Mr. WOODRUM of Virginia. Mr. Speaker, the effect of this amendment, if agreed to by the House, together with the action taken by the House in the report just adopted, will be that the so-called T. V. A. amendments of the Senate will be stricken from the bill; and in lieu thereof the provisions of the House bill will be restored. The only change is the provision in the amendment just read, which requires that T. V. A. shall file with the Committees on Appropriations of the House and Senate every 4 months a complete statement of its receipts and expenditures.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. RANKIN. Is that a unanimous agreement?

Mr. WOODRUM of Virginia. That is the unanimous agreement of the conferees.

Mr. RANKIN. That is on both sides of the House and the Senate.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia [Mr. WOODRUM].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 64: On page 64, lines 4 and 5, after "vehicle", insert "(1)."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment No. 64.

Mr. Speaker, the next two motions which I shall offer make the insertion of an amendment at this point unnecessary, and it is a part of our agreement with the Senate conferees that the Senate will recede from its disagreement to this amendment.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia [Mr. WOODRUM].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 65: On page 66, line 2, insert "; (2) unless there shall be painted in white letters not less than 2 inches high on both sides of each motor vehicle and trailer owned or leased by the United States Government the words 'On Official Business,' and (3) unless there shall also be displayed at all times in a conspicuous place a sign designating the particular department, independent establishment, or other Federal agency which operates said vehicle. Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office, and shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than 1 year, or both."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 65 and concur in the same, with an amendment.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Mr. Speaker, I will explain the situation to the gentleman if he will wait until the amendment is read by the Clerk.

The SPEAKER. The Clerk will report the motion made by the gentleman from Virginia [Mr. WOODRUM].

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate No. 65, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert a period and the following: "Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office."

Mr. WOODRUM of Virginia. Mr. Speaker, in explanation of the action recommended by the conferees I may say the effect of this amendment is to strike out the Senate language requiring the marking of motor vehicles or trailers owned or leased by the Government and to continue the House provision, adding to it an amendment providing the penalty of removal from office of any employee who uses or authorizes the use of any such vehicle for other than official purposes.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Virginia [Mr. WOODRUM].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 66: On page 66, line 21, add the following: "and clauses (2) and (3) shall not apply to motor vehicles operated by the Federal Bureau of Investigation and the Immigration and Naturalization Service of the Department of Justice and the Secret Service of the Treasury Department."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment No. 66.

The SPEAKER. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the various motions was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the report and the amendments.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPRESENTATIVE-ELECT JAMES J. ROONEY

The SPEAKER laid before the House the following communication which was read by the Clerk:

JUNE 15, 1944.

The Honorable the SPEAKER,
House of Representatives.

SIR: The certificate of election in due form of law of Hon. JAMES J. ROONEY as a Representative-elect to the Seventy-eighth Congress from the Fourth Congressional District of the State of New York, to fill a vacancy in that district, is on file in this office.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

Mr. ROONEY presented himself at the bar of the House and took the oath of office.

INSURANCE LEGISLATION

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. WALTER addressed the House. His remarks appear in the Appendix of today's RECORD.]

(By unanimous consent, Mr. WALTER received permission to revise and extend his remarks.)

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short address by a young lady at a commencement exercise.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of a resolution recently adopted by the members of Local

No. 21, United Federal Workers of America, C. I. O.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

SPEECHES MADE IN THE LAST PRESIDENTIAL CAMPAIGN

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURPHY. Mr. Speaker, irrespective of the merits of the political parties or their candidates in the coming Presidential contest, there is one piece of misrepresentation still being circulated by isolationists which ought to be eliminated from this campaign. Mr. Speaker, I ask unanimous consent that next Tuesday, after the regular business of the House is disposed of, I may discuss for 15 minutes before the House every speech made in the last Presidential campaign about sending our boys to foreign wars and discuss the Democratic platform, and I hope to present a fair and honest and complete picture to the Nation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make in the Committee of the Whole this afternoon on the War Department appropriation bill and to include therein certain tables and quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SHORTAGE OF DOCTORS

Mr. MILLER of Missouri. Mr. Speaker, the country is confronted with a serious shortage of doctors. Death alone takes a toll of 4,000 each year. This does not include the casualties in action which are unknown. We face the appalling fact that the supply of doctors has been dangerously diminished and the situation is becoming alarmingly worse, and will continue so in the years to come unless we take immediate steps to remedy it.

The Selective Service Act of 1940 and its amendments make no provision for the deferment of premedical students. There are now over 6,000 students in medical schools in this country. If the draft continues to take over 3,300 of this number each year, this will leave about 2,700 to continue through school. Obviously, such a policy, if pursued, will imperil the health of the Nation. We cannot afford to run the risk of a flu epidemic such as in World War No. 1, which took more lives than were lost in battle.

Therefore, I have introduced a bill to amend section 5 of the Selective Service Act of 1940, as amended, to provide for the deferment in each calendar year of not less than 6,000 medical and premedical students.

SHORTAGE OF MEN'S UNDERWEAR

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?
There was no objection.

Mr. KEEFE. Mr. Speaker, the distinguished gentleman from Missouri [Mr. MILLER] has just called attention to a crisis which affects the whole country. I would like to call your attention to a crisis that affects one man in my congressional district. He is 6 feet 6 inches in height, weighs 260 pounds. He is affected because he cannot purchase underwear any place in the country. I received a letter from him this morning advising me that although he is not too big to buy war bonds, not too big to have served with distinction in the last World War, not too big to work diligently in a war plant and perform all the functions of citizenship, nevertheless due to a failure in our production set-up he finds himself unable to buy a suit of suitable underwear. He is faced with the crisis of being compelled to abandon underwear or to wear a mere loin cloth. To some this complaint may seem trivial when compared to other national and international problems. To the men of this country who are situated as is my friend, the problem is real and should command the immediate attention of the O. P. A. and W. P. B. I am wondering if there is any man in this House who can give me any information as to where I may go to find relief for this very deserving citizen?

Mr. MASON. Give him a pair of yours.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Pennsylvania [Mr. PRATT] may extend his own remarks in the Record and include a short editorial.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

MRS. PHOEBE SHERMAN

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent that the bill (H. R. 2354) for the relief of Mrs. Phoebe Sherman, a private bill, be restored to the private calendar. I have discussed the matter with both the majority and minority leaders and with the objectors.

The SPEAKER. Is there objection?

There was no objection.

MARTIN DIES

Mr. THOMAS of New Jersey. I ask unanimous consent to address the House for 1 minute and to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, Smear, Inc., headed by Walter Winchell is now frantically plugging a book just published entitled "Martin Dies" by William Gellerman. I have read this book which purports to deal

objectively with the record of the Special Committee on Un-American Activities and its chairman. The book is full of bias and prejudice as would be expected after examining the author's previous literary contribution.

In 1938, Mr. Gellerman wrote a book entitled "The American Legion as Educator." It was a vicious attack upon that great patriotic body and created indignation throughout the country at the time. In the conclusion of Mr. Gellerman's book attacking the American Legion on page 266 he wrote:

In the promotion of war and fascism in America, the American Legion has done more than its share.

Such a statement I am sure is resented by every true American and it should put everyone on notice as to the "job" he has attempted to do on a committee of this Congress through Gellerman's most recent book entitled "Martin Dies." I think it is likewise significant to note that Gellerman's book attacking the American Legion was sponsored by Prof. George S. Counts, who at that time was a member of the national executive committee of the Communist-front organization, known as the American League Against War and Fascism, whose vice president was none other than Mr. Earl Browder. This is only one of the many Communist affiliations of Professor Counts, the sponsor of Mr. Gellerman's book.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. I do this, Mr. Speaker, in order that we may obtain the program for the balance of the week. I understand there have been some changes.

Mr. MCCORMACK. The War Department appropriation bill will be taken up. If that is disposed of so that other legislation may be considered today, immediately thereafter the conference report on the civil functions appropriation bill will be taken up. If time is left, the conference report on the State, Commerce, and Justice Departments appropriation bill.

It is hoped that those matters will not take long. If there is any time left, it is the intention to bring up the rule making in order consideration of the war contract termination bill. Of course, that is on the program after we have disposed of other conference reports that are pending.

Mr. MARTIN of Massachusetts. It might be possible to finish that war contract termination bill tomorrow?

Mr. MCCORMACK. I hope so. In any event, if we dispose of all the conference reports that are pending, it will be the order of business tomorrow, and if not terminated, if final action is not taken by the House, then it will go over until Monday, because the deficiency appropriation bill is definitely assigned for Saturday.



[PUBLIC LAW 358—78TH CONGRESS]

[CHAPTER 286—2D SESSION]

[H. R. 4070]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, namely :

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND VICE PRESIDENT

For compensation of the President of the United States, \$75,000.

For compensation of the Vice President of the United States, \$15,000.

THE WHITE HOUSE OFFICE

Salaries: For personal services in the office of the President, including the Secretary to the President, two additional secretaries to the President and six administrative assistants to the President at \$10,000 each; \$256,431: *Provided*, That employees of the executive departments and other establishments of the executive branch of the Government may be detailed from time to time to the office of the President of the United States for such temporary assistance as may be deemed necessary.

Contingent expenses: For contingent expenses of The White House Office, including stationery, record books, telegrams, telephones, books for library, furniture and carpets for offices, automobiles, expenses of garage, including labor, special services, and miscellaneous items to be expended in the discretion of the President, \$50,000.

For printing and binding, \$2,700.

Traveling expenses: For traveling and official entertainment expenses of the President of the United States, to be expended in his discretion and accounted for on his certificate solely, \$30,000.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, \$150,000.

BUREAU OF THE BUDGET

Salaries and expenses: For all expenses necessary for the work of the Bureau of the Budget, including personal services in the District of Columbia and elsewhere, contract stenographic reporting services, traveling expenses, including expenses of attendance at meetings when necessary in furthering the work of the Bureau of the Budget, lawbooks, books of reference, newspapers and periodicals, teletype news service (not exceeding \$900), maintenance, repair, and operation of three passenger-carrying automobiles for official use, and not to exceed \$35,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, \$2,000,000.

For printing and binding, \$52,000.

National defense activities: For all necessary expenses of the Bureau of the Budget in the performance of activities relating to the national defense, including all the objects for which the appropriation "Salaries and expenses, Bureau of the Budget" is available, and including the temporary employment (not exceeding \$30,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the Revised Statutes and the Classification Act of 1923, as amended; the employment of persons, including State, county, or municipal officers and employees, with or without compensation; and the payment of actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving, while away from their homes without other compensation from the United States, in an advisory capacity to the Bureau, \$879,800: *Provided*, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of more than four regional, field, or any other offices outside the District of Columbia.

INDEPENDENT ESTABLISHMENTS

AMERICAN BATTLE MONUMENTS COMMISSION

For all expenses necessary for the work of the American Battle Monuments Commission authorized by the Act of March 4, 1923 (36 U. S. C. 121-138), and by Executive Order Numbered 6614 of February 26, 1934, including the acquisition of land or interest in land in foreign countries for carrying out the purposes of said Act and Executive Order without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes (34 U. S. C. 520; 40 U. S. C. 255); employment of personal services in the District of Columbia and elsewhere; purchase and repair of uniforms for caretakers of national cemeteries and monuments in Europe at a cost not exceeding \$500; travel expenses; rent of office and garage space in foreign countries which may be paid for in advance; the maintenance, repair, and operation of motor-propelled

passenger-carrying vehicles which may be furnished to the Commission by other departments of the Government or acquired by purchase; printing, binding, engraving, lithographing, photographing, and typewriting, including the publication of information concerning the American activities, battlefields, memorials, and cemeteries in Europe; transfer of household goods and effects as provided by the Act of October 10, 1940, and regulations promulgated thereunder, and, when ordered or approved by the Commission, expenses of travel of dependents of employees when transferred from one official station to another, and the temporary transfer of employees by the Commission between places in foreign countries or between foreign countries and the United States, including transfers incident thereto, or, in the case of new appointments, transfer from place of appointment, may, if ordered or approved by the Commission, be regarded as a transfer from one official station to another for permanent duty for the purpose of authorizing the payment of travel of dependents and for the purposes of said Act of October 10, 1940, and regulations promulgated thereunder; and the purchase of maps, textbooks, newspapers and periodicals; \$41,785: *Provided*, That notwithstanding the requirements of existing laws or regulations, and under such terms and conditions as the Commission may in its discretion deem necessary and proper, the Commission may contract for work, supplies, materials, and equipment in Europe and engage, by contract or otherwise, the services of architects, firms of architects, and other technical and professional personnel: *Provided further*, That when traveling on business of the Commission, officers of the Army serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *And provided further*, That the Commission may delegate to its chairman, secretary, or officials in charge of either its Washington or Paris offices, under such terms and conditions as it may prescribe, such of its authority as it may deem necessary and proper.

CIVIL SERVICE COMMISSION

Salaries and expenses: For all expenses necessary for the work of the Civil Service Commission, including personal services in the District of Columbia; not to exceed \$3,750 for employment of expert examiners not in the Federal service on special subjects for which examiners within the service are not available; medical examinations; contract stenographic reporting services; traveling expenses, including those of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere, including not to exceed \$5,000 for expenses of attendance at meetings of organizations concerned with the work of the Commission; witness fees and mileage, including fees to deponents and persons taking depositions, at rates paid in the courts of the United States; rental of equipment; laundry service; not to exceed \$10,000 for purchase and exchange of lawbooks, books of reference, newspapers, and periodicals; not to exceed \$200 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; charts; maintenance, and repair of motortrucks, motorcycles, and bicycles; not to exceed \$217,000 for printing and

binding; \$5,821,900, of which not to exceed \$100,000 shall be available for reimbursement to the Veterans' Administration for services rendered the Commission in connection with physical examinations of applicants for and employees in the Federal classified service; not to exceed \$90,000 for performing the duties imposed upon the Civil Service Commission by the Act of July 19, 1940 (54 Stat. 767); and not to exceed \$3,000 for actuarial services by contract, without regard to section 3709, Revised Statutes: *Provided*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the fiscal year ending June 30, 1945, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further*, That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force.

Salaries and expenses, national defense: For all necessary expenses of the Civil Service Commission in connection with the recruitment and placement of civilian personnel required in connection with emergencies affecting the national security and defense, including personal services in the District of Columbia, traveling expenses; and other items otherwise properly chargeable to appropriations of the Civil Service Commission for salaries and expenses and not to exceed \$50,000 for printing and binding, \$10,000,000: *Provided*, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

For financing of the liability of the United States, created by the Act entitled "An Act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920, and Acts amendatory thereof (38 U. S. C. 11), \$194,500,000, which amount shall be placed to the credit of the "civil-service retirement and disability fund".

CANAL ZONE RETIREMENT AND DISABILITY FUND

For financing of the liability of the United States, created by the Act entitled "An Act for the retirement of employees of the Panama Canal and the Panama Railroad Company, on the Isthmus of Panama, who are citizens of the United States", approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), \$1,177,000, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund".

ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

For financing of the liability of the United States created by the Act entitled "An Act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States", approved June 29, 1936 (49 Stat. 2017), \$175,000, which amount shall be placed to the credit of the "Alaska Railroad retirement and disability fund".

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For salaries and expenses of the Federal Communications Commission in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484-487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order Numbered 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radiotelegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President July 7, 1936, including personal services, contract stenographic reporting services, rental of quarters, newspapers, periodicals, reference books, lawbooks, special counsel fees, supplies and equipment, improvement and care of grounds and repairs to buildings (not to exceed \$5,000), maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in the field, travel expenses not to exceed \$39,000, including not exceeding \$1,000 for expenses of attendance at meetings which in the discretion of the Commission are necessary for the efficient discharge of its responsibilities, reimbursement to ships of the United States for charges incurred by such ships in transmitting information in compliance with section 357 of the Communications Act of 1934, as amended, \$2,104,500, of which amount not to exceed \$1,341,000 may be expended for personal services in the District of Columbia, including compensation of employees of the Interdepartment Radio Advisory Committee.

Printing and binding: For printing and binding for the Federal Communications Commission, \$16,700.

Salaries and expenses, national defense: For all expenses necessary to enable the Federal Communications Commission, without regard to section 3709 of the Revised Statutes, to perform its functions related to national defense, including radio monitoring and foreign broadcast analysis, including all of the items of expenditure for which the appropriation "Salaries and expenses, Federal Communications Commission", is available and not to exceed \$9,000 for salary of Director of the Foreign Broadcast Intelligence Service; not to exceed \$40,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to the civil service and classification laws and, in the case of language or other experts, without regard to any requirements of this Act with respect to citizenship, where citizens qualified to perform such work are not available; and not to exceed \$24,200 for printing and binding, \$4,191,143: *Provided*, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of

an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.

FEDERAL POWER COMMISSION

SALARIES AND EXPENSES

For all expenses necessary for the work of the Federal Power Commission as authorized by law except for the work authorized by the Act of June 28, 1938, authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes (33 U. S. C. 701a), including traveling expenses; expenses of attendance at meetings which in the discretion of the Commission are necessary for the efficient discharge of its responsibilities; contract stenographic reporting services; hire, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, including not more than one such vehicle for general administrative use in the District of Columbia; and not exceeding \$5,000 for purchase and exchange of lawbooks, books of reference, newspapers, and periodicals, \$1,997,000; of which amount not to exceed \$1,175,000 shall be available for personal services in the District of Columbia exclusive of not to exceed \$10,000, which may be expended for consultants and special counsel.

Flood-control surveys: For all expenses necessary for the work of the Federal Power Commission as authorized by the provisions of the Act of June 28, 1938 (52 Stat. 1215), including travel expenses; contract stenographic reporting services; \$144,500, of which amount not to exceed \$95,000 shall be available for personal services in the District of Columbia.

National defense activities: For all necessary expenses (except printing and binding) to enable the Federal Power Commission to perform additional activities in connection with the national security and defense, including activities under the provisions of the Federal Power Act, activities under Executive Order Numbered 9165 dated May 19, 1942, and activities for the protection of the electric power supply against hostile acts, such expenses to include all items of expenditure for which the appropriations under the heading "Salaries and expenses, Federal Power Commission", are available, \$600,000: *Provided*, That the Commission may make expenditures in addition to the foregoing, for duties connected with the national security and defense, from other appropriations available to it: *Provided*, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.

For all printing and binding for the Federal Power Commission, including engraving, lithographing, and photolithographing, \$25,000.

FEDERAL TRADE COMMISSION

For salaries and expenses of the Federal Trade Commission, including personal services in the District of Columbia; contract stenographic reporting services; supplies and equipment, lawbooks, books of refer-

ence, periodicals, garage rentals; traveling expenses, including not to exceed \$900 for expenses of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Federal Trade Commission; newspapers not to exceed \$500, foreign postage, and witness fees and mileage in accordance with section 9 of the Federal Trade Commission Act; \$2,011,070, of which not less than \$172,410 shall be available for the enforcement of the Wool Products Labeling Act: *Provided*, That no part of the funds appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

For all printing and binding for the Federal Trade Commission, \$43,000.

FEDERAL WORKS AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For salaries and expenses in the Office of the Administrator in the District of Columbia, including the salary of a general counsel at \$10,000 per annum; printing and binding (not to exceed \$4,000); actual transportation and other expenses and not to exceed \$10 per diem in lieu of subsistence to persons serving, while away from their homes without other compensation from the United States, in an advisory capacity to the Administrator; purchase (including exchange) of lawbooks and other books of reference, purchase of newspapers and periodicals (not to exceed \$150); preparation, shipment, and installation of photographic displays, exhibits, and other descriptive materials; travel expenses; not to exceed \$1,500 for expenses of attendance, when specifically authorized by the Administrator, at meetings or conventions relating to the work of the Agency; not to exceed \$4,000 for the temporary employment of persons or organizations by contract or otherwise, for special services determined by the Administrator to be necessary, without regard to section 3709 of the Revised Statutes, and civil service and classification laws, \$331,752: *Provided*, That the Federal Works Administrator may, under such rules and regulations as he shall prescribe, authorize the Commissioner of Public Roads and the Commissioner of Public Buildings to make appointments of personnel for such administrations.

PUBLIC BUILDINGS ADMINISTRATION

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Federal Works Agency, the mechanical equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied buildings under the control of the Federal Works Agency, including furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings, mints, bullion depositories, and assay offices, and buildings oper-

ated by the Treasury and Post Office Departments in the District of Columbia:

General administrative expenses: For architectural, engineering, mechanical, administrative, clerical, and other personal services; traveling expenses, printing and binding (not to exceed \$17,000), advertising, testing instruments, lawbooks, books of reference, periodicals, and such other contingencies, articles, services, equipment, or supplies as the Commissioner of Public Buildings may deem necessary in connection with any of the work of the Public Buildings Administration; ground rent of the Federal buildings at Salamanca, New York, and Columbus, Mississippi, for which payment may be made in advance; \$1,350,000, of which not to exceed \$750,725 may be expended for personal services in the District of Columbia and not to exceed \$456,275 for personal services in the field: *Provided*, That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable against the construction appropriations of the respective projects to which they relate.

Repair, preservation, and equipment, outside the District of Columbia: For repairs, alterations, improvement, and preservation, including personal services employed therefor, of completed Federal buildings, the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding, not otherwise provided for, of sites acquired for Federal buildings, including tools and materials for the use of the custodial and mechanical force, wire partitions and insect screens, installation and repair of mechanical equipment, gas, and electric-light fixtures, conduits, wiring, platform scales, and tower clocks; vaults and lockbox equipment in all buildings completed and occupied, and for necessary safe equipments in buildings under the administration of the Federal Works Agency, including repairs thereto, and changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533), \$2,500,000: *Provided*, That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 per centum of the annual rental of such buildings.

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For administration, protection, maintenance, and improvement of public buildings and grounds in the District of Columbia and the area adjacent thereto, maintained and operated by the Public Buildings Administration, including the National Archives Building; repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer,

and survey of building space; traveling expenses and earfare; leather and rubber articles and gas masks for the protection of public property and employees; furnishings and equipment; arms and ammunition for the guard force; purchase, repair, and cleaning of uniforms for guards and elevator conductors; \$29,530,800: *Provided*, That where quarters or maintenance or other services are furnished on a reimbursable basis to any governmental activity, such activity shall make payment therefor promptly by check upon the written request of the Commissioner of Public Buildings, either in advance or after the service has been furnished, for deposit to the credit of this appropriation, of all or part of the estimated or actual cost thereof, as the case may be, and proper adjustment upon the basis of the actual cost shall be made for services paid for in advance.

Salaries and expenses, public buildings and grounds outside the District of Columbia: For operation, protection, and maintenance, including cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, furnishings and equipment, personal services, arms, ammunition, leather and rubber articles, and gas masks for the protection of public property and employees, purchase of uniforms for guards and elevator conductors, and every expenditure requisite for and incidental to such maintenance and operation of public buildings and grounds outside of the District of Columbia maintained and operated by the Public Buildings Administration, \$10,581,000: *Provided*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture: *Provided further*, That this appropriation shall be available for contracts for telephone switchboards or equivalent telephone-switching equipment jointly serving in each case two or more governmental activities in buildings operated by the Public Buildings Administration where it is found that joint service is economical and in the interests of the Government, and any Government activity receiving such service shall pay promptly by check upon the written request of the Commissioner of Public Buildings, either in advance or after the service has been furnished, for deposit to the credit of this appropriation, all or part of the estimated or actual cost thereof, as the case may be, and proper adjustment upon the basis of the actual cost shall be made for service paid for in advance.

Under the appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, per diem employees may be paid at rates approved by the Commissioner of Public Buildings, not exceeding current rates for similar services in the place where such services are employed, and such employees in emergencies may be entered on duty subject to confirmation by the Federal Works Administrator.

In the prosecution of construction projects or planning programs assigned to the Public Buildings Administration for which funds are provided by direct appropriation or transferred under authority contained in section 35 of the Act of June 15, 1938 (40 U. S. C. 265), an amount administratively determined as necessary for the payment of salaries and expenses of personnel engaged upon the preparation of plans and specifications, field supervision, and general office

expense, may be transferred and consolidated on the books of the Treasury Department into a special account for direct expenditure in the prosecution of said work, such expenditures to be subsequently allocated and reported upon by projects in accordance with procedures prescribed by the General Accounting Office.

PUBLIC ROADS ADMINISTRATION

General administrative expenses: For the employment of persons and means, including rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), printing and binding (not to exceed \$27,000), purchase (including exchange) of lawbooks, books of reference and periodicals, and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; and studies of types of mechanical plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

FEDERAL-AID HIGHWAY SYSTEM

For carrying out the provisions of "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", as amended (23 U. S. C. 1-117), to be expended in accordance with the provisions of said Act, as amended, including not to exceed \$1,341,850 for departmental personal services in the District of Columbia, \$40,000,000, to be immediately available and to remain available until expended, which sum is composed of \$20,000,000, the remainder of the amount authorized to be appropriated for the fiscal year 1942 by section 1 of the Act approved September 5, 1940 (Public Law 780), and \$20,000,000, a part of the amount authorized to be appropriated for the fiscal year 1943 by said section 1: *Provided*, That none of the money herein appropriated shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided further*, That, during the fiscal year 1945, whenever performing authorized engineering or other services in connection with the survey, construction, and maintenance, or improvement of roads for other Government agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited

to the appropriation concerned: *Provided further*, That during the fiscal year 1945 the appropriations for the work of the Public Roads Administration shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Public Roads Administration, and for sale and distribution to other Government activities, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Public Roads Administration may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Administration: *Provided further*, That the appropriations for the work of the Public Roads Administration shall be available for necessary expenses (not exceeding \$2,000) of attendance at meetings and conferences of highway departments, associations, organizations, and other agencies concerned, and (not exceeding \$15,000) for the temporary employment, by contract or otherwise, of technical consultants and experts without regard to section 3709 of the Revised Statutes, and civil service and classification laws.

INTER-AMERICAN HIGHWAY

For all necessary expenses to enable the President to utilize the services of the Public Roads Administration in fulfilling the obligations of the United States under the Convention on the Pan-American Highway Between the United States and Other American Republics, signed at Buenos Aires, December 23, 1936, and proclaimed September 16, 1937 (51 Stat. 152), for the continuation of cooperation with several governments, members of the Pan American Union, in connection with the survey and construction of the Inter-American Highway as provided in public resolution, approved March 4, 1929 (Public Resolution 104), as amended or supplemented, and for performing engineering service in pan-American countries for and upon the request of any agency or governmental corporation of the United States, \$100,000 to be derived from the administrative funds provided under the Act of July 11, 1916, as amended or supplemented (23 U. S. C. 21), or as otherwise provided.

For surveys in connection with and the construction of the Inter-American Highway, in accordance with the provisions of the Act approved December 26, 1941 (Public Law 375), and necessary expenses incident thereto without regard to section 3709, Revised Statutes, \$2,000,000, to be immediately available and to remain available until expended and in addition thereto the Commissioner of Public Roads is authorized to enter into contracts for this purpose in an amount not exceeding \$3,000,000.

FEDERAL-AID SECONDARY OR FEEDER ROADS

For secondary or feeder roads, including farm-to-market roads, rural free delivery mail roads, and public-school bus routes, \$3,000,000,

to be immediately available and to remain available until expended, which sum is a part of the amount authorized to be appropriated for the fiscal year 1942, by section 2 of the Act approved September 5, 1940 (Public Law 780).

STRATEGIC HIGHWAY NETWORK

For carrying out projects to correct critical deficiencies in lines of the strategic network of highways and bridges, in accordance with the provisions of section 4 of the Defense Highway Act of 1941 (23 U. S. C. 104), \$10,000,000, to be immediately available and to remain available during the continuance of the emergency declared by the President on May 27, 1941.

ACCESS ROADS

For the construction, maintenance, and improvement of access roads and for replacing existing highways and highway connections as described in, and in accordance with the provisions of, sections 6 and 9 of the Defense Highway Act of 1941, as amended by the Act approved July 2, 1942 (23 U. S. C. 106) \$40,000,000, to be immediately available and to remain available during the continuance of the emergency declared by the President on May 27, 1941.

SURVEYS AND PLANS

For advance engineering surveys and plans for future development of the strategic network of highways and bypasses around and extension into and through municipalities and metropolitan areas, in accordance with the provisions of section 9 of the Defense Highway Act of 1941 (23 U. S. C. 109) \$4,000,000, to be immediately available and to remain available during the continuance of the emergency declared by the President on May 27, 1941.

All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby released and made available for obligation or expenditure for the purposes for which they were originally appropriated subject to the approval of the Chairman of the War Manpower Commission as to the availability of manpower and subject to the approval of the Chairman of the War Production Board as to the availability of critical materials.

Any of the foregoing appropriations for general or administrative expenses under the Federal Works Agency shall be available for the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles in the District of Columbia and in the field.

FOREIGN-SERVICE PAY ADJUSTMENT

Foreign-service pay adjustment, appreciation of foreign currencies: For carrying into effect the provisions of the Act entitled "An Act to authorize annual appropriations to meet losses sustained by officers and employees of the United States in foreign countries due to appreciation of foreign currencies in their relation to the American dollar, and for other purposes", approved March 26, 1934 (5 U. S. C. 118c), and for each and every object and purpose specified therein, \$640,000.

GENERAL ACCOUNTING OFFICE

Salaries: For personal services in the District of Columbia and elsewhere, \$37,000,000: *Provided*, That the Comptroller General shall designate an employee of the General Accounting Office to act as Comptroller General during the absence or incapacity of the Comptroller General and the Assistant Comptroller General, or during a vacancy in both of such offices.

Miscellaneous expenses: For all expenses necessary for the work of the General Accounting Office, including travel expenses; procurement and exchange of lawbooks and books of reference, and not to exceed \$100 for periodicals; and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, \$1,198,600.

For all printing and binding for the General Accounting Office, including monthly and annual editions of selected decisions of the Comptroller General of the United States, \$200,000.

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

General administrative expenses: For salaries and expenses necessary in the execution of laws to regulate commerce, including one chief counsel, one director of finance, and one director of traffic, at \$10,000 each per annum, field hearings, traveling expenses, and contract stenographic reporting services \$3,119,000, of which amount not to exceed \$2,797,000 may be expended for personal services in the District of Columbia, exclusive of special counsel, for which the expenditure shall not exceed \$50,000; not exceeding \$5,000 for purchase and exchange of necessary books, reports, newspapers, and periodicals.

Regulating accounts: To enable the Interstate Commerce Commission to enforce compliance with section 20 and other sections of the Interstate Commerce Act as amended by the Act approved June 29, 1906, the Transportation Act, 1920 (49 U. S. C. 20), and the Transportation Act of 1940, including the employment of necessary special accounting agents or examiners, and traveling expenses, \$473,000, of which amount not to exceed \$130,000 may be expended for personal services in the District of Columbia.

Safety of employees: To enable the Interstate Commerce Commission to keep informed regarding and to enforce compliance with Acts to promote the safety of employees and travelers upon railroads; the Act requiring common carriers to make reports of accidents and authorizing investigations thereof; and to enable the Interstate Commerce Commission to investigate and test appliances intended to promote the safety of railway operation, as authorized by the Joint Resolution approved June 30, 1906 (45 U. S. C. 35), and the provision of the Sundry Civil Act approved May 27, 1908 (45 U. S. C. 36, 37), to investigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, inspectors, and for traveling expenses, \$604,000, of which amount not to exceed \$102,000 may be expended for personal services in the District of Columbia.

Signal safety systems: For all authorized expenditures under section 25 of the Interstate Commerce Act, as amended by the Transportation Act, 1920, the Act of August 26, 1937 (49 U. S. C. 26), and the Transportation Act of 1940, with respect to the provision thereof under which carriers by railroad subject to the Act may be required to install automatic train-stop or train-control devices which comply with specifications and requirements prescribed by the Commission, including investigations and tests pertaining to block-signal and train-control systems, as authorized by the Joint Resolution approved June 30, 1906 (45 U. S. C. 35), and including the employment of the necessary engineers, and for traveling expenses, \$182,000, of which amount not to exceed \$38,000 may be expended for personal services in the District of Columbia.

Locomotive inspection: For all authorized expenditures under the provisions of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto" (45 U. S. C. 22), as amended by the Act of March 4, 1915, extending "the same powers and duties with respect to all parts and appurtenances of the locomotive and tender" (45 U. S. C. 30), and amendment of June 7, 1924 (45 U. S. C. 27), providing for the appointment from time to time by the Interstate Commerce Commission of not more than fifteen inspectors in addition to the number authorized in the first paragraph of section 4 of the Act of 1911 (45 U. S. C. 26), and the amendment of June 27, 1930 (45 U. S. C. 24, 26), including such legal, technical, stenographic, and clerical help as the business of the offices of the director of locomotive inspection and his two assistants may require and for traveling expenses, \$548,000, of which amount not to exceed \$81,000 may be expended for personal services in the District of Columbia.

Valuation of property of carriers: To enable the Interstate Commerce Commission to carry out the objects of the Act entitled "An Act to amend an Act entitled 'An Act to regulate commerce', approved February 4, 1887, and all Acts amendatory thereof, by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities", approved March 1, 1913, as amended by the Act of June 7, 1922 (49 U. S. C. 19a), and by the "Emergency Railroad Transportation Act, 1933" (49 U. S. C. 19a), including traveling expenses, \$500,000.

Motor transport regulation: For all authorized expenditures necessary to enable the Interstate Commerce Commission to carry out the provisions of part II of the Interstate Commerce Act and section 5, part I, of the Interstate Commerce Act insofar as applicable to common carriers subject to part II (Transportation Act of 1940), including one director at \$10,000 per annum and other personal services in the District of Columbia and elsewhere; traveling expenses; supplies; services and equipment; not to exceed \$1,000 for purchase and exchange of books, reports, newspapers, and periodicals; contract stenographic reporting services; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; not to exceed \$5,000 for the purchase of evidence in connection with investigations of

apparent violations of said Act, \$3,250,000: *Provided*, That Joint Board members may use Government transportation requests when traveling in connection with their duties as Joint Board members.

Not to exceed \$2,500 of the appropriations herein made for the Interstate Commerce Commission shall be available for expenses, except membership fees, for attendance at meetings concerned with the work of the Commission.

For all printing and binding for the Interstate Commerce Commission, including not to exceed \$17,000 to print and furnish to the States, at cost, blank annual report forms of common carriers, and the receipts from such sales shall be credited to this appropriation, \$157,700.

Salaries and expenses, emergency: For necessary expenses, including traveling expenses, to enable the Interstate Commerce Commission, for the purpose of promoting the national security and defense, to adopt measures for preventing shortages of railroad equipment and congestion of traffic, and expediting the movement of cars by railroads through terminals, and related activities, \$338,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

For necessary salaries and expenses of the National Advisory Committee for Aeronautics, including contracts for personal services in the making of special investigations and reports; traveling expenses of members and employees, including not to exceed \$2,500 for attendance upon meetings of technical and professional societies; periodicals and books of reference; equipment, maintenance, and operation of the Langley Memorial Aeronautical Laboratory, the Ames Aeronautical Laboratory, and the aircraft engine research laboratory at Cleveland, Ohio; purchase and maintenance of cafeteria equipment; maintenance and operation of motor-propelled passenger-carrying vehicles; not to exceed \$383,400 for personal services in the District of Columbia, including one Director of Aeronautical Research at not to exceed \$10,000 per annum; and not to exceed \$2,500 for temporary employment of consultants, at not to exceed \$50 per diem, by contract or otherwise, without regard to the civil-service and classification laws; in all, \$23,218,830.

For all printing and binding for the National Advisory Committee for Aeronautics, including all of its offices, laboratories, and services located in Washington, District of Columbia, and elsewhere, \$15,000.

NATIONAL ARCHIVES

Salaries and expenses: For salaries and expenses of the Archivist and the National Archives; including personal services in the District of Columbia; scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings) in the custody of the Archivist; purchase and exchange of books, including lawbooks, books of reference, maps, and charts; contract stenographic reporting services; purchase of newspapers and periodicals; not to exceed \$100 for payment in advance when authorized by the Archivist for library membership

in societies whose publications are available to members only or to members at a price lower than to the general public; travel expenses; exchange of scientific and technical apparatus; and maintenance, operation, and repair of one passenger-carrying motor vehicle, \$1,042,340.

Printing and binding: For all printing and binding, \$7,000.

NATIONAL CAPITAL HOUSING AUTHORITY

For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, \$16,000: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly.

NATIONAL HOUSING AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: In addition to the amounts otherwise available (which amounts shall be transferred to this authorization for expenditure hereunder) for the administrative expenses of the Office of the Administrator, National Housing Agency, in carrying out the provisions of the Act of October 14, 1940, as amended (42 U. S. C. 1521), such amounts, not exceeding \$500,000, as the Administrator determines are required for the expenses of the Office of the Administrator, National Housing Agency, in the performance of administrative and supervisory services relating to the constituent units of said Agency shall be transferred from the funds available for the administrative expenses of such constituent units for the fiscal year 1945, to this authorization for expenditure hereunder and shall be available until June 30, 1945, for all necessary expenses of said Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; purchase and exchange of law-books, books of reference; periodicals and newspapers (not to exceed \$500); preparation, mounting, shipping, and installation of exhibits (not to exceed \$500); maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; not to exceed \$5,000 for temporary employment of persons or organizations, by contract or otherwise, for legal or other special services without regard to section 3709 of the Revised Statutes and the civil service and classification laws; payment, when specifically authorized by the Administrator, of (1) actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Agency and (2) not to exceed \$1,500 for expenses of attendance at meetings of organizations concerned with the work of the Agency when specifically authorized by the Administrator; reimbursement for the actual cost of ferry fares and bridge, road, and tunnel tolls, and an allowance not to exceed 3 cents per mile for all travel performed in privately owned automobiles by employees engaged in the inspection of property within the limits of their official posts of duty when such travel is performed in connection with such inspection: *Provided*, That notwithstanding the consolidation effected by Executive Order 9070, section

7 of the First Deficiency Appropriation Act, 1936, shall continue to apply to administrative expenses of and for the constituent units of the National Housing Agency mentioned in said section 7 and shall also apply to such expenses of said National Housing Agency in connection with the functions and purposes of said constituent units, and none of the funds made available by this Act for such administrative expenses shall be obligated or expended unless and until an appropriate appropriation account shall have been established therefor pursuant to an appropriation warrant or a covering warrant, and all such expenditures shall be accounted for and audited in accordance with the Budget and Accounting Act, as amended: *Provided further*, That the Administrator may, with the approval of the President of the United States, transfer to this authorization or to an authorization of a constituent unit from funds available for administrative expenses of the constituent units or the Office of the Administrator of the National Housing Agency such additional sums as represent a consolidation in the Office of the Administrator or in a constituent unit of any of the administrative functions of the National Housing Agency; but no such transfer of funds shall be made unless the consolidation will result in a reduction in manpower and a savings in administrative expenses, which savings shall not be used for administrative expenses but instead shall be returned to or remain in the funds from which administrative expenses are drawn under this authorization: *Provided further*, That a report of such transfers and the savings effected thereby shall be submitted to Congress in the annual budget.

FEDERAL HOME LOAN BANK ADMINISTRATION

Salaries and expenses: Not to exceed a total of \$10,853,825. to be derived from the same sources as the funds made available for administrative expenses of the Federal Home Loan Bank Administration, including the Federal Savings and Loan Insurance Corporation and the Home Owners' Loan Corporation, by the Independent Offices Appropriation Act, 1944, shall be available during the fiscal year 1945 for administrative expenses of the Federal Home Loan Bank Administration (Executive Order Numbered 9070 of February 24, 1942), which term and the term Administration, wherever used herein, shall unless otherwise qualified include and apply to said corporations but shall be exclusive of any corporation organized in pursuance of authority contained in the Act of May 16, 1918 (40 Stat. 550), and any amendments thereof, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); expenses (not to exceed \$7,500) of attendance at meetings concerned with the work of said Administration when specifically authorized by the Administration; printing and binding; lawbooks, books of reference, and not to exceed \$1,250 for periodicals and newspapers; rent in the District of Columbia; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; payment, when specifically authorized by the Administration, of actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving, while away from their homes,

without other compensation from the United States, in an advisory capacity to the Administration; use of the services and facilities of the Federal home-loan banks, Federal Reserve banks, and agencies of the Government, including the use of services and facilities within the Administration; the amounts so derived to be credited upon the books of the Treasurer of the United States in such account or accounts as the Administration may determine, and the Administration in its discretion may utilize the facilities of the Division of Disbursement of the Treasury Department for the disbursement of funds in or derived from such account or accounts relating to said corporations: *Provided*, That (1) all necessary expenses in connection with the liquidation of insured institutions, (2) all necessary expenses (including services performed on a force account, contract or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to the Home Owners' Loan Corporation or in which it has an interest, and (3) all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That except as herein otherwise provided, the administrative expenses and other obligations of the Administration shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421-1449), the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461-1468), and title IV of the National Housing Act of June 27, 1934, as amended (12 U. S. C. 1724-1730).

FEDERAL HOUSING ADMINISTRATION

Salaries and expenses: Not to exceed \$10,484,635 of the various funds of the Federal Housing Administration as follows, (1) the mutual mortgage insurance fund, (2) the housing insurance fund, (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I of the National Housing Act, as amended (12 U. S. C. 1701), and (4) the war housing insurance fund shall be available for expenditure, in accordance with the provisions of said Act for the administrative expenses of the Federal Housing Administration, including: Personal services in the District of Columbia: travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833), but there may be allowed, in addition to mileage at a rate not to exceed 4 cents per mile for travel by motor vehicle, reimbursement for the actual cost of ferry fares and bridge, road, and tunnel tolls, and employees engaged in the inspection of property may be paid an allowance not to exceed 4 cents per mile for all travel performed in privately owned automobiles within the limits of their official posts of duty when such travel is performed in connection with such inspection; printing and binding; lawbooks, books of reference, and not to exceed \$1,500 for

periodicals and newspapers; not to exceed \$1,500 for contract actuarial services; maintenance, repair, and operation of two motor-propelled passenger-carrying vehicles; payment, when specifically authorized by the Commissioner, of actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Administration; not to exceed \$2,000 for expenses of attendance, when specifically authorized by the Commissioner, at meetings concerned with the work of the Administration; and rent in the District of Columbia: *Provided*, That all necessary expenses of the Administration (including services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of titles I, II, and VI of said National Housing Act, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That, except as herein otherwise provided, the administrative expenses and other obligations, including nonadministrative expenses, of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701).

Payment of losses: Not to exceed \$5,000,000 of the funds (after allowance for salaries and expenses as authorized under the heading, Salaries and expenses, Federal Housing Administration) in the account in the Treasury comprised of premiums collected under authority of section 2 (f), title I, of said Act, shall be available for the payment of losses under insurance granted under section 2 and section 6, title I, of said Act.

FEDERAL PUBLIC HOUSING AUTHORITY

Salaries and expenses: In addition to the amounts available (which shall be transferred to this authorization) for the payment of the administrative expenses of the Federal Public Housing Authority in carrying out the provisions of section 201 of the Act of September 9, 1940 (54 Stat. 872), the Act of October 14, 1940, as amended (42 U. S. C. 1521), and the Act of March 1, 1941 (55 Stat. 14), as amended and supplemented, relating to war housing, including temporary shelter, and in carrying out the provisions of section 3 of the Act of June 29, 1936 (40 U. S. C. 423 and 433), relating, respectively, to the operation and maintenance of the projects transferred pursuant to Executive Order Numbered 7732 of October 27, 1937, and of the projects transferred pursuant to paragraphs 1 (g) and 6 of Executive Order Numbered 9070 of February 24, 1942, not to exceed \$2,772,940 of the funds of said Authority derived from its operations under the Act of September 1, 1937, as amended (42 U. S. C. 1401), shall be available for all necessary administrative expenses of said Authority, including personal services and rent in the District of Columbia; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; temporary employment of persons or organizations, by contract or otherwise, for legal or other special services, without regard to section 3709 of the Revised Statutes

and the civil-service and classification laws; payment, when specifically authorized by the Commissioner, of (1) the actual transportation and other necessary expenses and not to exceed \$5,000 in connection with payment of \$10 per diem in lieu of subsistence to persons serving, while away from their homes and without other compensation from the United States, in an advisory capacity to the Authority and (2) expenses of attendance (not to exceed \$5,000) at meetings or conventions concerned with the work of the Authority; printing and binding; purchase of lawbooks, books of reference, and periodicals; and photographing equipment.

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), \$9,500,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1944: *Provided*, That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public-housing agency for expenditure in connection with any low-rent housing project, unless the public-housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States.

SECURITIES AND EXCHANGE COMMISSION

For salaries and expenses, including personal services in the District of Columbia, of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law, including employment of experts when necessary; contract stenographic reporting services; purchase and exchange of lawbooks, books of reference, directories, and periodicals; not to exceed \$1,000 for the purchase of newspapers; travel expenses, including the expense of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Securities and Exchange Commission; garage rental; foreign postage; mileage and witness fees; rental of equipment; operation, maintenance, and repair of one motor-propelled passenger-carrying vehicle; and purchase of rubber gloves; \$4,651,704.

For all printing and binding for the Securities and Exchange Commission, \$45,000.

SMITHSONIAN INSTITUTION

Salaries and expenses: For all salaries and expenses necessary for continuing preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for continuing ethnological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory, including assistants, and making necessary observations in high altitudes; and for the administration of the National Collection of Fine Arts; including personal services in the District of Columbia; traveling expenses, including not exceeding \$2,500 for expenses of attendance at meetings concerned with the work of the Institution when specifically author-

ized by the Secretary of the Smithsonian Institution; printing and binding, not exceeding \$88,500, of which not to exceed \$12,000 shall be available for printing the report of the American Historical Association; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; not exceeding \$5,500 for preparation of manuscripts, drawings, and illustrations for publications; and not exceeding \$6,500 for purchase of books, pamphlets, and periodicals, \$1,224,090.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and all administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the Public Resolution of April 13, 1939 (Public Resolution Numbered 9, Seventy-sixth Congress), including personal services in the District of Columbia (except as otherwise provided in sec. 4 (c) of such Act); traveling expenses, including not exceeding \$1,000 for expenses of attendance at meetings concerned with the work of the National Gallery of Art when specifically authorized by the treasurer of the gallery; periodicals, newspapers, lawbooks (not to exceed \$150), and books of reference; not to exceed \$250 for payment in advance when authorized by the treasurer of the gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; leather and rubber articles and gas masks for the protection of public property and employees; not to exceed \$5,000 for printing and binding; maintenance, repair, and operation of one passenger-carrying automobile; purchase or rental of devices and services for protecting buildings and contents thereof; and maintenance and repair of buildings, approaches, and grounds, \$634,000: *Provided*, That section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, shall not apply to the restoration and repair of works of art for the National Gallery of Art, the cost of which shall not exceed \$15,000.

TARIFF COMMISSION

For salaries and expenses of the Tariff Commission, including personal services in the District of Columbia and elsewhere, traveling expenses not to exceed \$16,200, purchase and exchange of lawbooks, books of reference, gloves and other protective equipment for photostat and other machine operators, subscriptions to newspapers and periodicals not to exceed \$2,250, and contract stenographic reporting services, as authorized by sections 330 to 341 of the Tariff Act of 1930 (19 U. S. C. 1330-1341), \$930,000, of which amount not to exceed \$2,500 may be expended for attendance at meetings concerned with subjects under investigation by the Commission: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he, or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

For all printing and binding for the Tariff Commission, \$10,000.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the "Tennessee Valley Authority Act of 1933", as amended (16 U. S. C., ch. 12A), including the continued construction of Kentucky Dam at Gilbertsville, Kentucky; Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project); Fontana Dam; South Holston Dam; Watauga Dam: an additional unit at the Sheffield steam plant; and a fertilizer and elemental phosphorus manufacturing plant at or near Mobile, Alabama; and the acquisition of necessary land, the clearing of such land, relocation of highways, and the construction or purchase of transmission lines and other facilities, and all other necessary works authorized by such Act, and for printing and binding, lawbooks, books of reference, newspapers, periodicals, maintenance, repair, and operation of passenger-carrying vehicles, rents in the District of Columbia and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority, and for examination of estimates of appropriations and activities in the field, the unexpended balance on June 30, 1944, in the "Tennessee Valley Authority fund, 1944", and the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 (subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended), shall be covered into and accounted for as one fund to be known as the "Tennessee Valley Authority fund 1945", to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1944", and the Tennessee Valley Authority shall file reports every four months with the two Appropriations Committees of the Congress of all its receipts and expenditures: *Provided*, That purchases may be made by the Authority during the fiscal year 1945 without regard to the provisions of section 3709 of the Revised Statutes and section 9 (b) of the Tennessee Valley Authority Act, as amended, when in the judgment of the Board of Directors of the Authority such a procedure will expedite the completion of projects determined by the President to be essential for defense purposes.

THE TAX COURT OF THE UNITED STATES

For necessary expenses of The Tax Court of the United States as authorized by chapter 5 of the Internal Revenue Code, and sections 504 and 510 of the Revenue Act of 1942, including personal services and contract stenographic reporting services, traveling expenses, carfare, stationery, purchase and exchange of lawbooks and books of reference, and periodicals, \$555,000.

For all printing and binding for The Tax Court of the United States, \$32,000.

UNITED STATES MARITIME COMMISSION

To increase the construction fund established by the Merchant Marine Act, 1936, \$6,766,000,000: *Provided*, That the amount of contract authorizations contained in prior Acts for ship construction

and facilities incident thereto is hereby increased by \$5,700,000,000 (toward which \$1,665,390,499 is included in the amount appropriated herein): *Provided further*, That during the fiscal year 1945 not to exceed \$38,000,000 shall be available for administrative expenses of the United States Maritime Commission, including personal services at the seat of government; expenses of attendance (not to exceed \$3,800), when specifically authorized by the Chairman of the Commission, at meetings concerned with the work of the Commission; printing and binding; lawbooks and books of reference; periodicals and newspapers (not to exceed \$6,500); teletype services; maintenance, repair, and operation of passenger-carrying automobiles; compensation as authorized by the Act of August 4, 1939, for officers of the Army, Navy, Marine Corps, or Coast Guard, detailed to the Commission; and not to exceed \$469,500 for the employment by contract or otherwise of persons, firms, or corporations for the performance of legal and other special services, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws: *Provided further*, That the amount which may be expended for administrative expenses in the fiscal year 1944 is hereby increased from \$23,000,000 to \$29,130,000.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For all salaries and expenses of the Veterans' Administration, including the expenses of maintenance and operation of medical, hospital, and domiciliary services of the Veterans' Administration, in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the Act entitled "An Act to authorize the President to consolidate and coordinate governmental activities affecting war veterans", approved July 3, 1930 (38 U. S. C. 11-11f), and any and all laws for which the Veterans' Administration is now or may hereafter be charged with administering, \$164,044,940, of which \$44,940 shall be available for salaries and expenses of the Federal Board of Hospitalization: *Provided*, That not to exceed \$3,500 of this amount shall be available for expenses, except membership fees, of employees, detailed by the Administrator of Veterans' Affairs to attend meetings of associations for the promotion of medical science or for the betterment of insurance practices and conventions of organized war veterans: *Provided further*, That this appropriation shall be available also for personal services in the District of Columbia and elsewhere, including traveling expenses; examination of estimates of appropriations in the field, including actual expenses of subsistence or per diem allowance in lieu thereof; furnishing and laundering of such wearing apparel as may be prescribed for employees in the performance of their official duties; purchase and exchange of lawbooks, books of reference, periodicals, and newspapers; for passenger-carrying and other motor vehicles, including purchase, maintenance, repair, and operation of same, including not more than two passenger automobiles for general administrative use of the central office in the District of Columbia; and notwithstanding any provisions of law to the contrary, the Administrator is authorized to utilize Government-owned automotive equipment in

transporting children of Veterans' Administration employees located at isolated stations to and from school under such limitations as he may by regulation prescribe; and notwithstanding any provisions of law to the contrary, the Administrator is authorized to expend not to exceed \$5,000 of this appropriation for actuarial services pertaining to the Government life-insurance fund and the National Service Life Insurance Fund, to be obtained by contract, without obtaining competition, at such rates of compensation as he may determine to be reasonable; for allotment and transfer to the Federal Security Agency (Public Health Service), the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration, including minor repairs and improvements of existing facilities under their jurisdiction necessary to such care and treatment; for expenses incidental to the maintenance and operation of farms; for recreational articles and facilities at institutions maintained by the Veterans' Administration; for administrative expenses incidental to securing employment for war veterans; for funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration accruing during the year for which this appropriation is made or prior fiscal years: *Provided further*, That the appropriations herein made for the care and maintenance of veterans in hospitals or homes under the jurisdiction of the Veterans' Administration shall be available for the purchase of tobacco to be furnished, subject to such regulations as the Administrator of Veterans' Affairs shall prescribe, to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes: *Provided further*, That this appropriation shall be available for continuing aid to State or Territorial homes for the support of disabled volunteer soldiers and sailors, in conformity with the Act approved August 27, 1888 (24 U. S. C. 134), as amended, for those veterans eligible for admission to Veterans' Administration facilities for hospital or domiciliary care: *Provided further*, That the Administrator is hereby authorized to employ medical consultants for duty on such terms as he may deem advisable and without regard to the civil service and classification laws: *Provided further*, That this appropriation shall be available for the purchase directly from sources authorized by the common carriers of printed reduced fare requests for use by veterans when traveling at their own expense from or to Veterans' Administration facilities: *Provided further*, That notwithstanding any limitation in this Act, this appropriation shall be available for the purchase of legal newspapers in an amount not exceeding \$200.

No part of this appropriation shall be expended for the purchase of any site for or toward the construction of any new hospital or home, or for the purchase of any hospital or home; and not more than \$2,500,000 of this appropriation may be used to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials.

For printing and binding for the Veterans' Administration, including all its bureaus and functions located in Washington, District of Columbia, and elsewhere, \$450,000.

Pensions: For the payment of compensation, pensions, gratuities, and allowances, now authorized under any Act of Congress, or regulation of the President based thereon, or which may hereafter be authorized, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, accruing during the fiscal year for which this appropriation is made or in prior fiscal years, \$558,252,000, to be immediately available.

For military and naval insurance accruing during the fiscal year for which this appropriation is made or in prior fiscal years, \$19,794,000.

Adjusted service and dependent pay: For payment of adjusted-service credits of not more than \$50 each and the quarterly installments due to dependents of deceased veterans, as provided in the Act of May 19, 1924, as amended (38 U. S. C. 631-632, 661-670), \$40,000, to be immediately available and to remain available until expended.

Adjusted compensation payments: To enable the Administrator of Veterans' Affairs to carry out the provisions of the World War Adjusted Compensation Act, 1924 (38 U. S. C. 591-683), as amended, and the Adjusted Compensation Payment Act, 1936, except section 5 thereof (38 U. S. C. 686-688b), \$9,000,000, which amount shall be placed to the credit of the Adjusted Service Certificate Trust Fund, to be immediately available and to remain available until expended.

National Service Life Insurance: For transfer to the National Service Life Insurance Fund, in accordance with the provisions of the National Service Life Insurance Act of 1940, on account of payments of benefits in excess of the reserve of the policy in case of death, or for premiums waived in case of total disability, in cases where the death or total disability of the insured shall have been determined by the Administrator of Veterans' Affairs to be the result of disease or injury traceable to the extra hazards of military or naval service, and to reimburse the National Service Life Insurance Fund for payments made therefrom when recovery of such payments is waived by the Administrator of Veterans' Affairs under the authority of section 609 (a) of said Act, \$500,000,000, to be immediately available and to remain available until expended.

Soldiers' and Sailors' Civil Relief: For payment of claims as authorized by article IV of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942, \$400,000, to be immediately and continuously available until expended: *Provided*, That any moneys received under said article IV shall be credited to this appropriation.

Hospital and domiciliary facilities: For hospital and domiciliary facilities, \$7,374,500, to remain available until expended: *Provided*, That this amount shall be available for use by the Administrator of Veterans' Affairs, with the approval of the President, for extending any of the facilities under the jurisdiction of the Veterans' Administration or for any of the purposes set forth in sections 1 and 2 of the Act approved March 4, 1931 (38 U. S. C. 438j-k): *Provided further*, That not to exceed 3 per centum of this amount shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants to aid in the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for traveling expenses, field office equipment, and supplies in connection therewith.

Total, Veterans' Administration, \$1,259,355,440: *Provided*, That no part of this appropriation shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

SEC. 102. During the fiscal year ending June 30, 1945, the salaries of the Commissioners of the United States Maritime Commission, with the exception of the Chairman so long as the office is held by the present incumbent, and the Commissioners of the United States Tariff Commission shall be at the rate of \$10,000 each per annum.

SEC. 103. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 104. No part of any appropriation or authorization in this Act shall be used to pay any part of the salary or expenses of any person whose salary or expenses are prohibited from being paid from any appropriation or authorization in any other Act; but this prohibition shall be effective only during the period for which such prohibition in such other Act is effective.

SEC. 105. Where appropriations in this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

SEC. 106. Where appropriations in this Act are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of \$50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

SEC. 107. If at any time during the fiscal year 1945 the termination of the Act entitled "An Act to provide temporary additional compensation for employees in the Postal Service", approved April 9, 1943, or of the Act entitled "An Act to provide for the payment of overtime compensation to Government employees, and for other purposes", approved May 7, 1943, shall be fixed by concurrent resolu-

tion of the Congress at a date earlier than June 30, 1945, the appropriations contained in this Act shall cease to be available on such earlier date for obligation for the purposes of the terminated Act and the unobligated portions of appropriations allocated for the purposes of such terminated Act shall not be obligated for any other purposes of the appropriation during the fiscal year 1945.

TITLE II—GENERAL PROVISIONS

SEC. 201. (a) Appropriations for the fiscal year 1945 available for expenses of travel of civilian officers and employees of the executive departments and independent establishments shall be available also for expenses of travel performed by them on transfer from one official station to another when authorized by the head of the department or establishment concerned in the order directing such transfer: *Provided*, That such expenses shall not be allowed for any transfer effected for the convenience of any officer or employee.

(b) Appropriations of the executive departments and independent establishments for the fiscal year 1945 available for the transportation of things shall be available, in accordance with the Act of October 10, 1940 (5 U. S. C. 73c-1), for expenses incurred in the transfer of household goods and effects of civilian officers and employees of such departments and establishments when transferred from one official station to another for permanent duty.

SEC. 202. Unless otherwise specifically provided, no appropriation available for the executive departments and independent establishments for the fiscal year 1945 in this Act or any other Act, shall be expended—

(a) To purchase any motor-propelled passenger-carrying vehicle (exclusive of busses, ambulances, and station wagons), at a cost, completely equipped for operation, and including the value of any vehicle exchanged, in excess of such amount as the Secretary of War, in the case of the War Department, the Secretary of the Navy, in the case of the Navy Department, the Commissioners, in case of the government of the District of Columbia, and the Director of the Bureau of the Budget, in the case of other essential governmental needs, may determine necessary to obtain satisfactory motor-propelled passenger-carrying vehicles, but in no event shall the price so paid for any such vehicle exceed the maximum price therefor established by the Office of Price Administration and in no event more than \$1,500, which amount shall be in addition to the amount required for transportation.

(b) For the maintenance, operation, and repair of any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment, except in case of medical officers on out-patient medical services and except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only as to such latter cases when the same is approved by the head of the department or establishment concerned. Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-car-

rying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office. The limitations of this subsection (b) shall not apply to any motor vehicles for official use of the President, the heads of the executive departments, Ambassadors, Ministers, chargés d'affaires, and other principal diplomatic and consular officials.

SEC. 203. In purchasing motor-propelled or animal-drawn vehicles or tractors, or road, agricultural, manufacturing, or laboratory equipment, or boats, or parts, accessories, tires, or equipment thereof, the head of any executive department or independent establishment or his duly authorized representative may exchange or sell similar items and apply the exchange allowances or proceeds of sales in such cases in whole or in part payment therefor.

SEC. 204. Section 3709, Revised Statutes (41 U. S. C. 5), shall not apply to any purchase by or service rendered to any executive department or independent establishment during the fiscal year 1945 when the aggregate amount involved does not exceed \$100, but this section shall not be construed as affecting any provision of law authorizing purchases or services without regard to said section 3709 in amounts greater than \$100.

SEC. 205. Unless otherwise specified and until July 1, 1945, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Commonwealth of the Philippines or to nationals of those countries allied with the United States in the prosecution of the war.

SEC. 206. Appropriations for the executive departments and independent establishments for the fiscal year 1945 available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821-833), to civilian officers and employees of such departments and establishments while

traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed: *Provided further*, That the availability of appropriations of the War and Navy Departments with respect to the foregoing shall not be restricted thereby.

SEC. 207. The provision of law prescribing the use of vessels of United States registry by employees of the Government traveling overseas (46 U. S. C. 1241) shall not apply to such travel during the fiscal year 1945.

SEC. 208. Appropriations of the executive departments and independent establishments for the fiscal year 1945 shall be available for reimbursement at not to exceed 5 cents per mile to personnel serving without compensation from the United States for expenses of travel performed by them in privately owned automobiles away from their designated posts of duty, and not to exceed 3 cents per mile for such travel within the limits of their official stations.

SEC. 209. Appropriations of the executive departments and independent establishments for the fiscal year 1945, available for expenses of travel are hereby made available (1) for allowances for living and quarters in accordance with Standardized Regulations prescribed by the President for civilian officers and employees of the Government temporarily stationed in foreign countries, and (2) for living quarters allowances in accordance with the Act of June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost of living allowances in accordance with the Act of February 23, 1931, as amended (22 U. S. C. 12), and regulations prescribed thereunder, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations of the Departments of War, Navy, and State, except the appropriation Cooperation with the American Republics, for any of the above-mentioned objects shall not be affected hereby.

SEC. 210. No part of any appropriation for the fiscal year 1945 contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. 211. The funds appropriated in the appropriation Acts for the fiscal year 1945 of the services mentioned in the title of the Act of June 16, 1942 (Public Law 607, Seventy-seventh Congress), shall be available for, and the heads of the executive departments concerned are authorized to prescribe, per diem rates of allowance, at rates not to exceed \$7 per day, in lieu of subsistence to officers traveling on official business and away from their designated posts of duty, and to members of the services concerned (including officers, warrant officers, contract surgeons, enlisted personnel, aviation cadets, and members of the Nurse Corps) when traveling by air under competent orders and on duty without troops.

SEC. 212. No part of any appropriation contained in this or any other Act shall be used to pay in excess of \$2 per volume for the current and future volumes of the United States Code Annotated or in excess of \$3.25 per volume for the current or future volumes of the Lifetime Federal Digest.

SEC. 213. After January 1, 1945, no part of any appropriation or fund made available by this or any other Act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality including those established by Executive order after such agency or instrumentality has been in existence for more than one year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality including those established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other Act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions.

SEC. 214. This Act may be cited as the "Independent Offices Appropriation Act, 1945".

Approved June 27, 1944.

